

LIVING IN A POST- MERGER WORLD

by Bob Ankosko

For years there has been a standing joke among dealers in the appliance business: "You know," they'd crack, "before too long it'll be just GE and Whirlpool." But for those who sold home appliances in the "good old days," this line may seem like less of a joke today. Since 1950, the number of major appliance makers in America has shrunk from 51 to nine. And although consolidation is clearly not a new concept to the industry, 1986 is still likely to be remembered as the year when corporate shuffling reached a high point.

Sure, there are plenty of noteworthy years in white goods history — such as '73, when the industry exploded, or 1975, when General Motors sold Frigidaire to WCI. Still, 1986 stands apart. By May, the face of the industry had changed — significantly. Like huge dominoes, major industry players fell — one after another — into new, sometimes unexpected places. First, Whirlpool acquired KitchenAid, then the giant Electrolux swallowed another giant, WCI, and finally, Maytag bought out Magic Chef — all within a four month period.

The year began with a bang when in February, Whirlpool's \$150 million takeover of KitchenAid was approved by the courts after more than a year of legal wrangling. Ironically, the two companies that challenged the KitchenAid acquisition on antitrust grounds — White Consolidated Industries and Magic Chef — were themselves on the verge of being acquired.

The ink was barely dry on the Whirlpool/KitchenAid papers when word arrived that the Electrolux Group — a \$7 billion Swedish conglomerate — would purchase White Consolidated Industries for \$743 million. By April, it was history — WCI had become part of the world's largest appliance manufacturer. Tappan and O'Keefe & Merritt — earlier acquisitions which gave Electrolux an entre' into the U.S. major appliance industry — were structured under the WCI umbrella along with Frigidaire, White-Westinghouse, Gibson and Kelvinator. With combined annual sales of \$3 billion, the new WCI ranks number three in the industry behind GE and Whirlpool.

As if the trade and business press didn't have enough to write about, and retailers enough to speculate on, Maytag and Magic Chef swiftly carried out the industry's third mega-merger. On May 30, 1986, Magic Chef had become a wholly-owned subsidiary of Maytag. Instantly, Maytag more than doubled in size and is expected to post sales in the \$1.7 billion range, making it the

fourth largest producer of kitchen and laundry products in the states. In major appliances, the Maytag corporate umbrella now covers Hardwick Stove, Jenn-Air (previously owned by Maytag), Magic Chef, Admiral and Norge.

"If someone told me in 1985 what was going to happen in 1986, I think I would have had them sent to the funny farm," quips Hal Schafer, group vice president of WCI's Major Appliance Group. Pausing for a moment, the 30-year industry veteran adds, "So the comment, 'Nothing's happening in the stodgy appliance industry,' simply is not true."

With 16 years of appliance sales and marketing experience under his belt, Whirlpool's vice president of sales Hank Bowman sizes up the year's events this way: "I think when you look back 10 years from now you'll see that 1986 will be kind of a pivotal year in the industry."

Other observers remain unimpressed, however. Some see it simply as part of a natural evolutionary process that happens in most industries. Leaning back in his chair, 30-year industry veteran and KitchenAid president Glenn Olinger shrugs, "It's just another year. There were other mergers at other times — maybe not quite of this magnitude. I think when Frigidaire was purchased by White Consolidated in 1975, that was probably a hallmark year in major appliances. It might have even been a

"I think it's fairly obvious that you are going to see more direct business, as evidenced by some of the changes that have been announced."

Hal Schafer
White Consolidated

more momentous time than this."

So, the \$64 million question remains: How will the latest chapter on consolidation impact the world of white goods?

Intensified, yet healthy competition among suppliers is the resulting condition that manufacturing executives like to point to when asked the above question. Bruce Enders, vice president and general manager of General Electric's marketing division, offers a typical appliance maker perspective. "You now have bigger competitors — and in this business scale economies count." Enders says. "So in the long term you have more efficient competitors. In the end, the consumers win because they'll probably have low cost, high quality products."

The GE executive also sees a continuation of the downward pricing trend that has characterized major appliances over the years, despite distributor and retailer concerns to the contrary. "The price for a major appliance has come down, after you adjust for inflation, two to three percent per year — almost every year — for the last 30 years," Enders says.

"It's going to be an interesting period with a lot of flexing in the marketplace."

Richard Haines
Maytag

"The reason for this is that manufacturers have reduced cost."

Still, some retailers and distributors see price hikes as a possible consequence of an industry that is controlled by fewer and fewer players. Jack Luskin, president of the \$150 million Baltimore-based Luskin's chain, believes merger-mania will ultimately lessen competition. "Prices will remain stable, and if anything, they'll increase," he says.

Sheldon Goldstein, president of Long Island Appliance Wholesalers, a division of P.C. Richard Co., offers this view: "Pricing could only go one way — up. There's a legitimate opportunity for manufacturers to get more dollars for their products."

Fewer, bigger competitors, also will free up dollars for research and development and factory upgrade, both of which improve product as well as create more step-up opportunities on the sales floor.

WCI, for example, is making capi-

"You now have bigger competitors — and in this business scale economies count."

Bruce Enders
General Electric

tal improvements at its manufacturing facilities to the tune of \$100 million, as part of a plan formulated by the old WCI management team and supported by Electrolux, according to Donald Blasius, chairman of the WCI Home Products Group.

Although not directly related to recent merger activity, GE is in the midst of a five-year \$1 billion investment program. Fruits of this financial commitment have surfaced in GE's latest refrigeration lineup. In the past two years alone, GE has spent some \$500 million. One-fifth of that amount was funneled into an automated factory in Tennessee which produces a new, more efficient rotary compressor. "We changed the entire refrigerant system with a rotary compressor which is lower in cost, more reliable and intrinsically more efficient energy-wise," Enders explains.

"You've got to invest heavily in your factories to do well in the U.S. major appliance business," he continues. "And that's going on right now. The major players are all doing it. I think it's absolutely essential. If we don't invest, then somebody else is going to eat our lunch down the road."

Changes are occurring in the way goods get to market, too — some, perhaps, a direct result of merger activity. In a move that stunned many, KitchenAid cancelled franchises with its 62 independent distributors last August, shifting instead to an in-house sales force. Some of these independents had been selling KitchenAid for 35 years.

On the day of the announcement, Olinger told the press. "The key benefit [in going direct] is that you control your own destiny." Whirlpool executives, at that time, also carefully separated their new division's move from the two-step operation Whirlpool has nurtured over the years.

In a later interview, Olinger discussed KitchenAid's shift. "I think in general, the independent distributor got very comfortable and probably shot himself in the foot, because they wanted to be open from 8 to 5 and run their order service desk from 8 to 5," he explained. "But their dealers are open from 10 to 10. You've got to take care of the customer. The independent just was not responsive."

Under the new distribution plan, KitchenAid is putting Whirlpool's seven regional warehouses to work. "The Whirlpool physical distribution system is what makes all of this profitable," Olinger said.

More direct selling, some say, is an inevitable consequence of industry consolidation and the proliferation of the large retail chains in major markets. "I think it's fairly obvious that you are going to see more direct business, as evidenced by some of the changes that have been announced," WCI's Schafer says. "Although, I don't think direct is going to be the only type of distribution. There is a place for independent distribution for certain types of products. But I do believe that the growth of larger markets encourages direct distribution."

Meanwhile, as some dealers become accustomed to buying from the factory, virtually all will have to run a tighter ship in 1987, and in some

cases rethink merchandising strategies. The industry's recent takeover binge has triggered the imminent onslaught of additional full-line suppliers. Managing inventory and floor space will emerge as a key, if not the key, issue for retailers in 1987.

Maytag, for example, has made clear its intentions to expand into refrigeration; KitchenAid and Tappan, too, are expanding into new product

"I think when you look back 10 years from now you'll see that 1986 will be kind of a pivotal year in the industry."

Hank Bowman
Whirlpool

areas. Now it's just a matter of when they, and others, make the move.

For smaller, independent retailers, limited floor space is a critical factor in choosing between lines. But even the big boys — the so-called power retailers — may have to make some tough decisions. Joe Henderson, senior appliance merchandiser for the \$500 million Highland Superstore chain observes: "Expenses are much greater than they used to be for service and warehousing. It's become a very complex business because of warehousing and home delivery."

But Maytag's general sales manager Richard Haines best sums up the impact of consolidation at retail: "I think retailers are going through a period of having to reevaluate the lines they carry and the amount of floor space they're willing to allot for these products. Our long range plans certainly are to become a full-line manufacturer. And we're certainly going to exert our leverage to the extent possible to position ourselves as a full-line supplier. I don't think we're going to be alone."

"So, it's going to be an interesting period with a lot of flexing in the marketplace. On the part of the dealer, it might indicate that the greater demands on inventory levels and on display models are going to increase his cost of doing business. In order to be competitive, he'll need to provide depth in his inventory, sufficient floor display and a full line of products. I guess what I'm saying is, the ability to cherry pick is something the manufacturers are going to be very hesitant to allow."

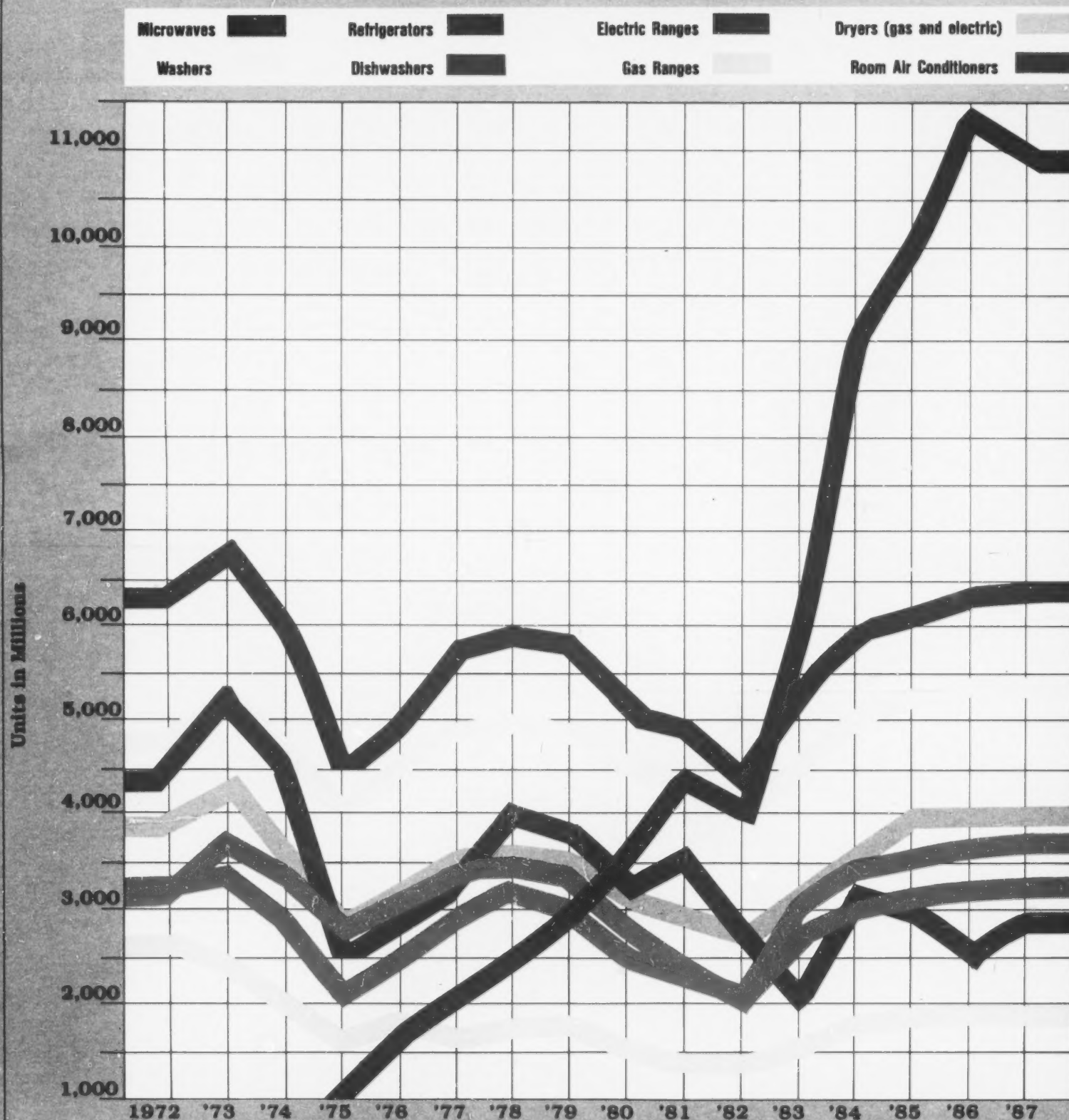
Major Appliances Mean Big Business...

PRODUCTS	DOLLAR VALUE (MILLIONS)	
	1984	1985
Electric Ranges & Cooktops	\$ 1,084,906	\$ 1,086,379
Gas Ranges	446,856	458,828
Microwave Ovens	1,862,963	1,675,987
Clothes Washers	1,329,382	1,403,820
Clothes Dryers	746,967	806,816
Dishwashers	787,283	800,992
Disposers	172,876	179,480
Compactors	38,858	37,748
Refrigerators	2,513,630	2,597,343
Freezers	297,102	274,148
Room Air Conditioners	887,149	853,718
Dehumidifiers	82,044	83,977
TOTAL	\$ 10,250,016	\$ 10,259,236

Source: AHAM (Dollar value is at manufacturer level.)

STATE OF THE INDUSTRY

Factory Unit Shipments of Major Appliances



(Explanation: This chart is based on data compiled by AHAM. Year-end totals represent factory unit shipments in the domestic U.S. and have been rounded off. 1986 and '87 figures are projections. Between 1972 and 1987 (projected), gas dryers account for between 26 and 31 percent of yearly totals, or an average of 29 percent.)

LISTINGS

How to use The Appliance Source: Manufacturers and brands are both listed alphabetically in The Appliance Source directory. Where a manufacturer is owned by another firm in the appliance industry, a cross reference note is provided to direct the reader to a corporate profile of the parent company. Where a brand is produced by a company of another name, a cross reference note is provided to direct the reader to the appropriate manufacturer.

ADMIRAL HOME APPLIANCES

1701 E. Woodfield Rd.
Schaumburg, IL 60196
(312) 884-2600

(Also see Maytag Corp.)

REGIONAL OFFICES

Not available

OFFICERS

Charles A. Dowd Jr.
President/Admiral
Jim Krueger
Vice president/Admiral
brand marketing
Tony A. Borski
Vice president/private label

SALES

Not available

EMPLOYEES

Admiral 2,700
Norge 800
Warwick 150

PRODUCT LINES

Admiral

Refrigerators
Freezers
Dehumidifiers
Gas/electric ranges
Microwave ovens
Washers/Dryers
Dishwashers

Norge

Washers/Dryers
Refrigerators
Freezers
Gas/electric ranges
Dehumidifiers

Warwick

Compact refrigerators
Compact freezers

Crosley

Compact refrigerators
Compact freezers

DISTRIBUTION

Admiral home appliances are sold nationwide through independent distributors. Day-to-day contact is maintained through regional managers and by the division headquarters in Schaumburg, IL.

Sales contact

Roger Brannan, national sales manager, (312) 884-2902.

PROFILE

Admiral, Norge and Warwick form Admiral Home Appliances, a division of Maytag Corp., under the leadership of Charles A. Dowd Jr., president.

Admiral was founded in 1934 as Continental Radio, a manufacturer of radios for home use. The company name became Admiral in 1936, a change still reflected in the firm's stylized "sail" logo.

After producing walkie-talkies for use in combat in World War II, the company began preparing for a post-war economy with diversification into television and home appliances. Among the



Charles A. Dowd, Jr.
President/Admiral

company's most important developments was the first bottom-mount refrigerator/freezer, the first infinite heat controls on ranges, the first removable oven door, and the first refrigerator to offer water service through the door.

In 1974, Admiral joined the Rockwell International Group, a primary government military contractor. Then, in 1979, Admiral was acquired by Magic Chef.

Also in 1979, Magic Chef purchased Norge, which had been part of Fedders Corp. Located in Herrin, IL, Norge manufactures a full line of domestic and commercial laundry equipment.

Warwick Manufacturing Corp., a producer of compact refrigerators and freezers, was acquired in late 1984. The company is based in Chesapeake, VA. Prior to 1985, Warwick products were marketed under the Philco registered trademark; they are now sold under the names of Magic Chef, Admiral, Norge, Crosley, Warwick and other private labels.

In May 1986, Admiral and its parent company, Magic Chef, were acquired by Maytag. The Admiral Division of Maytag Corp. is responsible for manufacturing, marketing and sales of refrigerators and freezers, compact refrigerators, dehumidifiers and automatic laundry products. Master Care Parts and Service is also part of the Admiral Division.

SPOTLIGHT

Charles A. Dowd, Jr.
President

"There are many components to a maximum profit picture — efficient inventory control, effective advertising, prompt and effective service, product and sales training. We at Admiral believe that the easy sale based on price is not always in the best interest of the retailer or the customer.

"Emphasis should be placed on high-end and high profit goods rather than low-end, low profit items. We all know there is always a market for the less expensive product. But all too often, retailers who depend on selling only low-end goods on price alone end up selling more, but enjoying it less.

"Our Personality Product philosophy, which introduces at least one innovative product per year, has proven to us that the customer is willing to pay for quality, functional features. For example, the deep door refrigerator shelf

feature we pioneered has been copied by our competition. If you have a feature or features that complement today's lifestyles, consumers will recognize and accept them, and afford dealers an opportunity to maximize profits."

AIRTEMP

(See Fedders-USA)

AMANA REFRIGERATION INC.

Amana, IA 52204

(319) 622-2142

(Also see Raytheon Co.)

REGIONAL OFFICES

Not available

OFFICERS

Henry J. Meyer
President, chief executive
John A. Kammerer
Senior vice president/marketing
Dave Kretz
Vice president/sales -
major appliances

SALES

Not available

EMPLOYEES

Amana 3,200

PRODUCT LINES

Amana

Refrigerators
Radarange microwave ovens
Freezers
Electric ranges/cooktops
Wall ovens
Dishwashers
Room air conditioners
Washers/dryers
Dehumidifiers
Central air conditioning/heating
equipment

DISTRIBUTION

Amana primarily uses a two-step distribution system in which products are marketed throughout the U.S. by wholesale distributors selling to retailers.

Sales contact

Dave Kretz, vice president/sales - major appliances, (319) 622-2142.

PROFILE

Amana Refrigeration Inc. has over 50 years of experience in producing major appliances. The company was founded in 1934 when George C. Foerstner accepted the challenge from a local businessman to build a dependable beverage cooler. Foerstner set up shop in Middle Amana, IA, where he produced this first of many successful products.

By 1936, Foerstner's young company added a new product line: frozen food and cold storage lockers.

As the company grew, it continued to add new product lines. In 1947, Amana introduced the first nationally marketed upright freezer. About ten years later, the company began providing its "Deepfreeze" frozen food freezers to the public.

Amana's prominence in the appliance industry was strengthened further in 1965 when it merged with Raytheon Co. of Lexington, MA. Amana drew upon Raytheon's advancements in microwave cooking technology to introduce the world's first 115-volt countertop microwave oven for the home, the patented Radarange.

Today, Amana Refrigeration Inc. markets a complete line of major home appliances.

SPOTLIGHT

Henry J. Meyer
President and chief executive officer

"1987 can bring tremendous opportunities to the retailer who develops the basic elements of his business. At Amana, we have long sought retailers who concentrate on giving the best customer service, the most knowledgeable salesmanship, and the most complete line-up of profitable products that customers want. These are the very things retailers must maximize to be successful in the late 1980s and into the next decade.

"First, treat every customer as if he were your only customer. The more loyalty you build, the more these customers will come back as you expand into new products and services.

"Second, make sure your salespeople know their products. Customers are impressed and more willing to buy from a salesperson who's taken time to intelligently step them through the products they are considering.



Henry J. Meyer
President and chief executive



John A. Kammerer
Senior vice president/marketing

"Finally, keep your product line-up trimmed to brands which offer the best opportunity for long-term profitability. Brands that have the benefits customers want can help a retailer be a leader in his market."

LISTINGS

AMERICAN

(See Brown Stove Works)

ATHENS STOVE WORKS

1100 Industrial Dr.
Springfield, TN 37172
(615) 384-2431

(Also see White Consolidated Ind.)

REGIONAL OFFICES

Not available

OFFICERS

Jim Marden
Vice president, general manager/WCI
Range Division
Corey Meyer
Vice president/sales, OEM
marketing/WCI Range Division

PRODUCT LINES

Vesta
Gas ranges
Electric ranges

DISTRIBUTION

Not available

Sales contact

For Vesta, call (800) 233-0498;
in Tennessee, (800) 356-5466.

PROFILE

Athens Stove Works, a division of
White Consolidated Industries, func-
tions primarily as a manufacturing
arm of the WCI Range Division, provid-
ing gas and electric ranges under the
various WCI brands including White-

Westinghouse, Gibson, Kelvinator,
Frigidaire and Tappan. In addition,
Athens markets product under the
Vesta brand name, as well as under
other private labels.

Athens was founded in Athens, TN,
where a manufacturing facility is still
located. In late 1986, administrative,
sales and marketing functions for
Athens were consolidated at Spring-
field, TN.

AVANTI PRODUCTS

8885 N.W. 23rd St.
Miami, FL 33172
P.O. Box 520604
Miami, FL 33152
(305) 592-7830

REGIONAL OFFICES

Not available

OFFICERS

Al Cortina
President
Richard Ladd
Executive vice president
Larry Winn
Vice president/sales
Alan Bieler
National sales manager
Larry Laughery
National sales manager

SALES

Not available

EMPLOYEES

Not available

PRODUCT LINES

Avanti
Compact refrigerators/freezers
Compact microwave ovens
Dehumidifiers
Compact room air conditioning

DISTRIBUTION

All Avanti product distribution is by
28 independent sales representatives
located nationwide. Regional ware-
houses are located in Baltimore, MD;
Somerset, NJ; Cicero, IL;
and Compton, CA.

Sales contact

Larry Winn, vice president/sales.
(305) 592-7830, (800) 323-5029.

PROFILE

Avanti is owned by The Mackle Com-
pany, an outgrowth of a construction
company established in 1908 by Frank
E. Mackle, Sr. in Jacksonville, Florida.
Today, Mackle Company is a holding
company controlling investments in
real estate development, the travel in-
dustry and, with its Avanti Products
division, consumer products.

Through Avanti, Mackle Company is
one of the largest distributors of com-
pact refrigerators in the U.S. Avanti is
also involved in electronics through its
distribution of audio and video cassettes
and accessories. All of Avanti's prod-
ucts bear the Avanti logo. Mackle Co.
acquired Avanti, itself a nearly 20 year-
old firm, in February 1982.

BRENTWOOD

(See Brown Stove Works)

BROWN STOVE WORKS INC.

1422 Carolina Ave.
P.O. Box 2490
Cleveland, TN 37320-2490
(615) 476-6544

REGIONAL OFFICES

Midwest: 601 Mason St., Elkhart, IN
46515, (219) 294-1822, Roger Smith,
regional manager.
West: 3109 Bandini Blvd.,
Los Angeles, CA 90023,
(213) 266-3575, Bob Linden,
western sales manager.



LISTINGS

OFFICERS

K. Harrison Brown
President
James G. Ruberti
Vice president/marketing
G.P. Tulloss
Vice president/administration
J. Robert Savage
Vice president/purchasing
John Rossmaler
Treasurer

SALES

Not available

EMPLOYEES

Not available

PRODUCT LINES

Brown
Town & Country
Brentwood
Imperial
Gold Chef
National
American
Brentwood by Brown

Gas/electric ranges
Eye-level double oven ranges
Built-in wall ovens
Built-in cooktops
Built-in dishwashers
Range hoods

DISTRIBUTION

Brown distributes all products nationally through a network of independent distributors or factory branch distribution centers.

Sales contact

Call (800) 251-7485 for nearest distributor.

PROFILE

Brown Stove Works Inc., was organized in 1935 as a manufacturer of coal ranges, with Grover C. Brown as president. The company expanded its offerings, and within five years, Brown was marketing a full line of coal and wood burning ranges and heaters.

Entry into the field of gas ranges was delayed with the onset of World War II, but in 1948 Brown introduced its first such model. By 1960, gas built-in wall ovens and surface units were introduced and the company began manufacturing electric cooking appliances for the first time, including electric built-ins. A full line of electric free-standing ranges comparable to the gas free-standing line was offered in January of 1961.

In 1963, Brown introduced its first products for recreational vehicles.

In 1964, the company purchased Jacobs Heater Corp., allowing Brown to offer a line of gas heaters. Jacobs Heater was eventually merged into Brown, and it became the Athens Division of Brown Stove Works. Manufacturing of recreational vehicle products was transferred to Athens in 1970, and the RV line was expanded. However, manufacturing of the RV line was moved back to Cleveland in 1977 after the Athens facility was sold to Flint Manufacturing Co., and the RV line was finally discontinued in 1984.

Today, Brown Stove Works remains a privately owned company with the goal of supplying high quality, moderately priced cooking equipment.

BRYANT

(See Carrier Corp.)

CALORIC CORP.

403 North Main St.
Topton, PA 19562-1499
(215) 682-4211

(Also see Raytheon Co.)

REGIONAL OFFICES

Not available

OFFICERS

Raymond J. Dowling
President
Edward J. Herrelko II
Vice president/marketing & sales
James Paullin
Vice president/national sales manager Caloric
Frank Wiedemeier
Vice president/national sales manager Sunray/Glenwood
William J. Day
Vice president/private brand sales

SALES

Not available

EMPLOYEES

Caloric Corporation 2,000

PRODUCT LINES

Caloric
Gas/electric ranges
Gas/electric built-in ovens
Gas/electric cooktops
Electric downdraft cooktops
Microwave ovens
Microwave cooking centers
Combo electric/microwave cooking ranges
Combo gas/microwave cooking ranges
Refrigerators
Dishwashers
Waste disposers
Trash compactors
Range hoods
Splash plates

Sunray/Glenwood

Gas/electric ranges
Gas built-ins
Gas cooktops
Dishwashers
Range hoods
Waste disposers

DISTRIBUTION

Caloric distributes direct to major buying groups and specialty retailers; a network of wholesale distributors are used to reach other independent dealers and builders.

Sales contact

James Paullin, vice president/
national sales manager.
(201) 288-4848.

Sunray/Glenwood distributes direct to major buying groups and specialty retailers.

Sales contact

Frank Wiedemeier, vice president/
national sales manager.
(614) 363-1381.

PROFILE

The roots of the Caloric Corp. were planted in Philadelphia in 1889 with the founding of the Klein Stove Co. by Samuel Klein. This venture was initially devoted to the fabrication of wood and coal burning stoves.

Caloric — an ancient word for heat — was first used by the company in 1903. It was then that the company began to specialize in gas burning ranges.

During World War I, Caloric acquired the old Topton Foundry and Machine Co. The company operated out of three separate Pennsylvania locations until 1941, when all operations were centralized at the original foundry site in Topton, the present headquarters.

Caloric has developed rapidly throughout the years, partly through its role as an innovator. Among the list of products the company developed and brought first to the market are the patented gas and electric Ultra Ray broiler, the gas pyrolytic self-cleaning oven, automatic pilotless ignition, the combination full-power microwave/electric and microwave/gas ME ranges, and the self-cleaning gas range with the largest oven cavity in the industry.

Caloric became a Raytheon Co. in 1966. It acquired the Glenwood Range Co., manufacturers of Glenwood and



Raymond J. Dowling
President



Edward J. Herrelko II
Vice president/marketing & sales



James Paullin
Vice president/national sales manager Caloric



Frank Wiedemeier
Vice president/national sales manager Sunray/Glenwood

Sunray ranges, in 1978. Modern Maid, manufacturers of a full line of high-end gas and electric built-in ranges, was made part of the Caloric product group in November, 1981.

SPOTLIGHT

Raymond J. Dowling
President

"One of the great misconceptions among retailers is that in order to survive in the major appliance business, they must heavily discount prices. Dealers must realize that they are entitled to a fair price, and fair profit on the products they sell."

"If a dealer has confidence in his line, and carries one with innovative, quality products, he's halfway toward achieving that fair profit."

"Now, he has to take a few steps within his own organization to assure that fair profit. He must have a well trained sales force that knows the products it is selling, one that is highly motivated to do a good job. Further, he has to create an atmosphere on the selling floor which projects quality to his customers. Products must be carefully displayed in an environment that lets the customer know he is dealing with professionals. As we all know, professionals can command the prices that assure maximum profits."

CARRIER CORP.

Box 70

Indianapolis, IN 46206
(317) 240-5125

REGIONAL OFFICES

Northeast: 4682 Crossroads Park Dr.,
Liverpool, NY 13088-3598.
(315) 451-7312. Richard Geisler,
general manager.

Midwest: BDP Company, P.O. Box 70,
Indianapolis, IN 46206.
(317) 240-5341. Gordon Powers,
general manager.

West: BDP Company,
855 Anaheim-puente Rd.,
City of Industry, CA 91749.
P.O. Box 1234, City of Industry,
CA 91749. (818) 369-9701.
William Furlong, general manager.

Southeast: 5775 Peachtree Dunwoody
Rd., Building D, Ste. 400, Atlanta, GA
30342. (404) 252-8885. Doral Atkins,
general manager.

Southcentral: 5775 Peachtree
Dunwoody Rd., Building D, Ste. 400,
Atlanta, GA 30342. (404) 252-8885.
Robert Heydet, general manager.

Southwest: 1801 Gateway Blvd.,
Richardson, TX 75080.
P.O. Box 225039, Dallas, TX 75265
(all mail). (214) 680-6750.
Robert Black, general manager.

OFFICERS

William A. Wilson
President and CEO
Michael Clevy
Vice president, general manager/
residential products
Gerald Rudinsky
Vice president, general manager/
light residential products
Kennard Balme
Vice president/market development
J. Norman Callagan
Vice president/marketing operations

SALES

Not available

EMPLOYEES

Carrier Corp. (worldwide) 24,000

PRODUCT LINES

Carrier
Bryant
Day & Night
Payne



Gerald Rudinsky
Vice president, general manager/
light residential products

Room air conditioners
Split system air conditioners
Heat pumps
Gas furnaces

DISTRIBUTION

Bryant, Carrier, Day & Night and Payne products are sold through a two-step process, using independent distributors or factory branches to sell through to dealer/contractors or retailers.

PROFILE

Carrier Corp. is a subsidiary of United Technologies Corp., Hartford, CT. It is the world's largest manufacturer of heating, ventilating and air conditioning (HVAC) equipment. With headquarters in Syracuse, NY, Carrier operates plants in seven U.S. states, Canada, and in Europe, South America and Asia. Carrier products are sold in approximately 120 countries.

Carrier Corp. residential furnaces, air conditioners and heat pumps are also sold under the Bryant, Day & Night and Payne brand names in portions of the United States. Products also include central residential humidifiers and electronic air cleaners.

Carrier is engaged in production of commercial air conditioning equipment for structures ranging from small shopping centers to large office buildings and other complexes. The company also manufactures products in the industrial, transportation and building services and controls markets.

SPOTLIGHT

Gerald Rudinsky
Vice president and general manager/
light residential products

"The key to dealer profitability in the room air conditioner market can be wrapped up in a single word — mix."

"Typically, retailers rely on selling the low price, low efficiency unit, but in doing so they miss the opportunity to increase their profits by demonstrating the advantages of higher efficiency units which also have pleasantly higher margins."

"Our experience has shown that today's customer is willing to spend a little extra to obtain the increased efficiency. Also, many customers lack the knowledge to select the proper size unit. All too often, when people buy on price alone, the unit is undersized, which leads to an uncomfortable and dissatisfied customer. If the sales representative takes the time to knowledgeably determine the proper size unit, the customer will be pleased with the purchase... and the retailer with the increased margin."

CLIMATROL

(See Fedders-USA)

CROSLLEY

(See Admiral)

DACOR

950 South Raymond Ave.
Pasadena, CA 91105
(213) 682-2803

REGIONAL OFFICES

Not available

OFFICERS

S. Michael Joseph
President
Anthony B. Joseph
President/sales & marketing
Dennis A. Powell
National sales manager

SALES

Not available

EMPLOYEES

DACOR

200

PRODUCT LINES

DACOR
Cooktops
Ranges
Ventilating systems

DISTRIBUTION

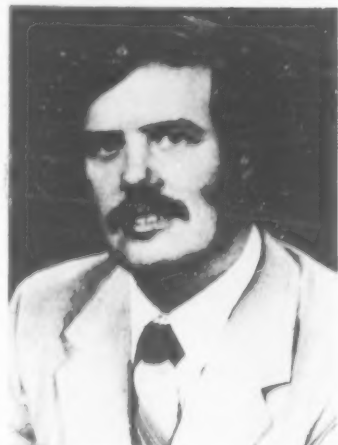
DACOR distributes through a combination of factory branches and independent distributors.

Sales contact

Dennis A. Powell, national sales manager, (213) 682-2803.



S. Michael Joseph
President



Anthony B. Joseph
President/sales & marketing

PROFILE

DACOR is an acronym for Distinctive Appliance Corporation. The company grew out of the Stanthony Corporation which introduced the first complete ventilating hood in 1948 and the first indoor electric barbecue in 1956. DACOR is a family-owned and operated company. Stanley M. Joseph founded Stanthony and is now chairman of the board of Dacor. His son, Michael, is president and his other son, Anthony, is president of sales and marketing.

The key to DACOR's success has been innovative and quality products. A milestone in the company's history was the introduction of the first modular cooking system in 1975, a four burner electric cooktop for use with overhead ventilation. In 1981 and 1982, downdraft modular cooktops and ranges were added to its overhead ventilated line. 1984 saw DACOR develop the first cooking module with solid burners for its modular cooking systems.

After years of success with electric cooktops, DACOR introduced in 1985 a four-burner gas cooktop, and in 1986 expanded this line with a six-burner cooktop.

SPOTLIGHT

Anthony B. Joseph
President, sales & marketing

"A retailer can maximize his profits in major appliances in 1986 by entering the built-in market. He should do this, however, only with lines that are selectively distributed and offer him good profit margins. Many dealers report that it has become very difficult to make money on so many lines. This is particularly true of large volume lines that are sold through outlets of national buying groups and retail chains."

"An independent retailer can successfully compete with the mass merchandiser's sales mentality of 'a quick sale' by selling built-ins, which take more time to sell. He should select innovative lines with a unique design and unique features. This enables him to use creative selling techniques, push value rather than price, and protect his margins."

"These products should have visible quality and offer the flexibility to meet the widest range requirements in kitchen design. The dealer should also attempt to sell appliances which have universal cut-out dimensions so he can easily tap the huge replacement market in built-ins."

DAEWOO ELECTRONICS CORP. OF AMERICA

100 Dae-Woo Pl.
Carlstadt, NJ 07072
(201) 935-8700

REGIONAL OFFICES

1055 W. Victoria Ave.,
Compton, CA 90220,
(213) 774-1746.

OFFICERS

Juno Kim
President
H.S. Lee
National sales manager
Y.M. Lee
East Coast sales manager
K.H. Kim
Mid-West sales manager
Mike Moon
West Coast sales manager

PRODUCT LINES

Portland
Dayton
Microwave ovens

DISTRIBUTION

Daewoo sells by container shipments only, from Korea directly to its customers. Sales are made through sales reps and company sales managers.

Sales contact

H.S. Lee, national sales manager,
(201) 935-8700.

DAIKIN U.S. CORP.

2284/A Northwest Pkwy.
Marietta, GA 30067
(404) 952-2570

REGIONAL OFFICES

West: 910 Bern Ct., Suite 100,
San Jose, CA 95112, (408) 280-6004.
Southeast: 12345 S.W. 130th St.,
Miami, FL 33186, (305) 255-5506.

OFFICERS

Kazuo Tanaka
President
Ernest Medina
Vice president/sales & marketing
Raul Esparza
Vice president/engineering
Yoshi Sasa
Vice president/operations

SALES

Not available

EMPLOYEES

Daikin Industries (worldwide) 6,000

PRODUCT LINES

Daikin
Room air conditioners
Multi-zone split system
heat/cool pumps
Full application commercial/
light commercial cooling and
heating systems

DISTRIBUTION

Daikin products are sold through a mixture of direct sales and two-step distribution through a distributor network.

Sales contact

Call (800) 367-9733 for sales or
product information.

PROFILE

Daikin U.S. Corp. is a wholly owned subsidiary of Daikin Industries Ltd. of Osaka, Japan. Established in the early 1930s, the parent company now employs over 6,000 people worldwide, and is involved in all phases of heating, ventilation and air conditioning, as well as robotics, hydraulics, mechanics, computer graphics and refrigerated containers.

Daikin U.S. Corp. was established in August of 1982 with the opening of its California office. By February 1985, the Atlanta office was opened in Marietta, and in December 1985, company headquarters was moved to this location. The Miami office was opened November, 1986.

DAY & NIGHT

(See Carrier Corp.)

DAYTON

(See Daewoo Electronics Corp.)

EMERSON QUIET KOOL CO.

400 Woodbine Ave.,
Woodbridge, NJ 07095
(201) 381-7000

REGIONAL OFFICES

New England: 555 High St.,
Westwood, MA 02090,
(617) 461-1390. Peter Armstrong,
regional sales manager.

Mid-Atlantic: 575 Adams Ave., Philadelphia, PA 19120. (215) 728-6300. William Platt, regional sales manager.

Central: 10746 Indianhead Industrial Blvd., St. Louis, MO 63132. (314) 426-4340. Robert Whitehead, regional sales manager.

Mid-Central: 1329 Sadler Circle W. Dr., Indianapolis, IN 46239. (317) 352-1206. Ron Christopher, regional sales manager.

Southeast: 15 Dunwoody Park, Suite 100-1, Atlanta, GA 30338. (404) 393-1883. William Fain, regional sales manager.

West: 5940 East Slauson Ave., City of Commerce, CA 90040. (213) 724-5508. Neal Platt, regional sales manager.

RV Sales: 700 East Beardsley, Suite 8B, Elkhart, IN 46451. (219) 262-1787. James Kaskey, national sales manager.

OFFICERS

Thomas G. Petersen
President/CEO

Irwin Hersh
Executive vice president/operations

Milton Davies
Executive vice president/finance

Thomas Murray
Vice president/room air conditioner sales

Joseph Burns
Vice president/RV sales

SALES

Not available

EMPLOYEES

Emerson Quiet Kool 600

PRODUCT LINES

Emerson Quiet Kool
Room air conditioners
Dehumidifiers
Recreational vehicle air conditioners

DISTRIBUTION

Emerson Quiet Kool distributes to the dealer by three methods: directly, through sales representatives, and through independent distributors. A central warehouse is located in Edison, N.J. with others spread throughout the country.

PROFILE

Emerson's corporate forefather was Quiet Heat Manufacturing Corp., a Newark, N.J. company founded in 1937, which took pride in being the world's largest manufacturer of oil burners. Twelve years later, Quiet Heat expanded its product line to include "Quiet Kool" room air conditioners. Quiet Heat manufactured room air conditioners for other companies which sold them under several brand names, including the Coldspot brand marketed by Sears.

In 1953, Quiet Heat became Emerson Quiet Kool through its acquisition by Emerson Radio & Phonograph Corp. of Jersey City, a manufacturer of radios, phonographs and, later, television receivers. That same year, Emerson Quiet Kool stopped manufacturing oil burners to focus its attention and resources on the growing market for room air conditioners.

Manufacturing was relocated in 1958 to Emerson Radio & Phonograph's large Jersey City plant. The company moved to its current larger location in Woodbridge, New Jersey in 1961.

In 1966, National Union Electric Corp. acquired a controlling interest in Emerson Radio & Phonograph Corp.

In 1974, National Union Electric became a subsidiary of A.B. Electrolux of Sweden. Then, in 1983, Emerson Quiet Kool was acquired by the Jepsen Corp., a private holding company headquartered in Chicago.



Thomas G. Petersen
President/CEO



Thomas Murray
Vice president/room air conditioner sales

Much of Emerson's continued growth and strength is a result of vertically integrated manufacturing — a system that lets the company make more of its product components than it buys. Such a system also improves quality control, which benefits both consumers and retailers.

EMERSON RADIO CORP.

One Emerson La.
North Bergen, NJ 07047
(201) 854-6600

REGIONAL OFFICES

6001 E. Slauson Ave.,
Commerce, CA 90040.
(213) 727-0220.

OFFICERS

William W. Lane
Chairman

Stephen L. Lane
President

Saul Knazick
Senior vice president/
sales & marketing

SALES

Emerson Radio Corp.
1984 - \$183 million
1985 - \$357 million
1986 - \$566 million

PRODUCT LINES

Emerson
Microwave ovens
Compact refrigerators

DISTRIBUTION

Emerson sells product by a combination of one- and two-step distribution.

Sales contact

East: Norman Tahler, marketing manager; Christopher Contey, assistant marketing manager. (201) 854-6600.

West: Gary Stines, western regional sales manager. (213) 727-0220.

PROFILE

Emerson Radio Corp. designs and markets a line of home entertainment electronic equipment and home appliances for the consumer. The range of the company's products includes televisions, VCRs, radios, modular and compact stereos, tape players and recorders. Recently, Emerson expanded its line to home appliances with the introduction of microwave ovens and compact refrigerators.

Emerson Radio Corp. also owns 71 percent of Cardiac Resuscitator Corp., which is engaged in the development, manufacture and sale of automatic heart defibrillators and pacemakers. Imatron Inc., in which the company owns 18 percent equity, is a marketer of a high speed cine-computed tomographic scanner.

EXCELLENCE

(See F.G. Industries)

FEDDERS - USA

Air Conditioning Division
415 Wabash Ave. - Box 200
Effingham, IL 62401-2898
(217) 342-3901

REGIONAL OFFICES

East: East Twin Rd., Highlands, NJ 07732. (201) 291-5786. Jeff Doherty, regional manager.

Midwest: 1291 Central Ave., Bensenville, IL 60106. (312) 595-6831. Dan Whitley, regional manager.

South: 404 Williams Ave., Gadsden, AL 35901. (205) 442-6559. Thomas L. Clancy, regional manager.

Southwest: 11851 Gallery View, San Antonio, TX 78249. (512) 691-1129.

John Jackson,
regional manager.

OFFICERS

R. D. Tyler, Jr.
President

Bernie Tymkiw
Vice president, sales & marketing

Carmen Anzalone
Vice president, design engineering

Robert Nelson
Controller

Bob McElroy
Director of sales

Tom Purcell
National accounts sales manager

George Halsted
Sales manager/private label

SALES

Fedders Corp.
1984 - \$120 million
1985 - \$104 million

EMPLOYEES

Fedders Corp. 700

PRODUCT LINES

Fedders

Air conditioners
Wall-fit air conditioners
Dehumidifiers

Airtemp

Air conditioners

Climatrol

Air conditioners

DISTRIBUTION

Fedders brand product goes out to retailers by a two-step distribution system: Airtemp brand uses both one-step and two-step distribution; Climatrol products are distributed by one-step distribution only.

PROFILE

Fedders was founded in 1896 by Theodore C. Fedders, a metalsmith whose first products (milk cans, kerosene tanks, and bread pans) served an agricultural economy. However, shortly after the turn of the century, Fedders shifted gears and began producing automobile radiators.

This move introduced the company to the young science of heat transfer, and was the first step toward its eventual recognition as a manufacturer of air conditioning. Fedders gained extensive experience as it expanded its product lines to include water and beverage coolers and ice cube-maker refrigerators for commercial use. One of its



R.D. Tyler, Jr.
President/Fedders-USA



Bernie Tymkiw
Vice president/sales & marketing

COMING IN FEBRUARY. . .

MART highlights trade groups and finance companies serving the appliance industry.

products, frost-free evaporator coils, was marketed for commercial use in 1934, some 20 years before frost-free evaporator coils were introduced to the public.

It was in the 1930s that Fedders emerged as a producer of air conditioning components. After converting its factories back from military production during World War II, Fedders introduced its first room air conditioner.

Fedders Corporation, which oversees the Fedders - USA Air Conditioning Division, also consists of Rotorex Company, a Frederick, Maryland, producer of hermetic, rotary compressors for air conditioning and refrigeration. Fedders Automotive Company, headquartered in Buffalo, New York, produces radiators and other automotive components.

SPOTLIGHT

R.D. Tyler, Jr.
President

"As millions of air conditioners reach replacement age, and the market for first time room air conditioner purchases proliferates, retailers should keep these three key factors in mind in order to maximize their profits:

"First, stay with well-established manufacturers whose names have strong brand recognition. Successful air conditioner retailers have learned that when they offer a brand that is well-known and respected for quality, a name that is synonymous with air conditioning, the selling job is three-quarters done.

"The next step is relatively easy. Concentrate on selling units that combine high quality with desired features and competitive prices. Today's sophisticated consumers want value for their investment, and the wise retailer will accommodate that desire — profitably.

"Third, the best consumer values are generally high-efficiency room air conditioners — which, coincidentally, provide the greatest dollar profit for the dealer. So, these units should be promoted as giving the consumer the best return for his purchasing dollar, resulting in maximum dealer profits."

F.G. INDUSTRIES

417 Northern Blvd.
Great Neck, NY 11021
(516) 482-2668

REGIONAL OFFICES

Not available

OFFICERS

Stan Garfinkle
President

Hank Fischman
Secretary, treasurer

SALES

1987 (proj.) - \$40 million

EMPLOYEES

Not available

PRODUCT LINES

Excellence

Compact refrigerators
Compact freezers
Refrigerators
Freezers
Washers/dryers

DISTRIBUTION

F.G. Industries distributes product directly to major retailers through an in-house sales force.

Sales contact

(516) 482-2668
(800) 645-4014.

PROFILE

F.G. Industries began in November 1967 as a sales representative firm for manufacturers of appliances, televi-

sions, radios and audio products in the greater New York area. During 1970, the company augmented its sales rep activities by purchasing product from various foreign appliance manufacturers, which it resold to its dealership. As the firm's base expanded, so did its product line and the territory it serviced.

Total sales volume for the firm has grown from approximately \$800,000 in 1971 to an estimated \$40 million in 1987, with a corresponding jump in growth in unit volume from 8,000 to 325,000. F.G. products, sold under the Excellence brand name, are shown in over 5,000 retail showrooms in all 50 states.

In addition to its Excellence brand household appliances, F.G. markets a line of IBERNA brand commercial refrigerators and freezers, which are sold directly to national accounts and through commercial refrigerator/freezer distributors.

FRIEDRICH AIR CONDITIONING & REFRIGERATION CO.

4200 N. Pan Am Expressway
P.O. Box 1540
San Antonio, TX 78295
(512) 225-2000

REGIONAL OFFICES

Not applicable

OFFICERS

J.L. McMaken,
President

Charles M. Marino,
Vice president/marketing

SALES

Not available

EMPLOYEES

Not available

PRODUCT LINES

Friedrich

Room air conditioners
Dehumidifiers

DISTRIBUTION

Friedrich distributes factory direct and through independent wholesalers.

Sales contact

Charles M. Marino, vice president/
marketing. (512) 225-2000.

PROFILE

In 1883, Ed Friedrich opened a one-room, clapboard shop in San Antonio, Texas, where he began his business as a cabinetmaker. His first products were store fixtures and billiard tables. Gradually, Ed began to specialize in coolers and iceboxes. By the turn of



Charles M. Marino
Vice president/marketing

the century, the new concept of electricity moved Friedrich to the development of electric refrigeration.

Friedrich's "Floating Air" refrigeration system, patented in 1931, allowed controlled movement of a curtain of cooled air over the tops of open cases. This development led ultimately to the system used in today's supermarkets.

In 1952, Friedrich applied the Floating Air principle to room air conditioners. Distribution expanded, and in 1959, a line of heat/cool room air conditioners was introduced called the "TwinTemp" Heat Pumps.

The 1960s saw development of the Quietmaster series, a line that is still known for its energy efficiency.

Today, Friedrich room air conditioners are also manufactured by licensees in foreign countries, using Friedrich components, technical expertise and manufacturing standards.

SPOTLIGHT

Charles M. Marino

Vice president/marketing

"Today, all appliance retailers are operating in a very dynamic marketplace. It is much unlike the past. Demand for appliances are at a record level and the power retailers have made a major impact on this business. Many of them have gone public to generate funds to launch aggressive expansion plans. Their managements are more sophisticated and the stores are much larger. Product presentation is magnificent and the caliber of sales on the floor is extremely high.

"Dealers today need to be very cognizant of changes and be quick to adapt. There is plenty of business available to all dealers and the lowest price doesn't always get the customer.

"Quality products backed up by respectable companies that provide service are very much in demand today. Dealers' store appearance and product display must be first class and their salesmen must be well-trained in product knowledge and in sales technique.

"Dealers should also be handling lines that offer the consumer quality features and value. In addition, dealers need a line where they can make a reasonable profit and compete against the power retailer on different brands, rather than price on the same brand."

FRIGIDAIRE - WCI

300 Phillipi Rd.
Columbus, OH 43228
(614) 272-4100

(Also see White Consolidated Ind.)

REGIONAL OFFICES

Avenel, NJ (201) 636-2300;
Atlanta, GA (404) 452-1240;
Centerville, OH (513) 435-6770;
Schaumburg, IL (312) 882-4280;
Ft. Worth, TX (817) 654-2314;
Dublin, CA (415) 829-7483.

OFFICERS

H. Morrill, Jr.
Vice president/sales

PRODUCT LINES

Frigidaire
Refrigerator/freezers
Freezers
Laundry
Gas & electric ranges
Built-in ovens and cooktops
Microwave ovens
Dishwashers
Disposers
Room air conditioners
Dehumidifiers

DISTRIBUTION

Frigidaire distributes nationally through regions and independent distributors.

Sales contact

H. Morrill, Jr., vice president/sales.
(614) 272-4107.



H. Morrill, Jr.
Vice president/sales - Frigidaire

PROFILE

The first Frigidaire self-contained electric household refrigerator, the Guardian, made its appearance in 1915. It had a solid oak cabinet and insulation made of dried seaweed. Freezer space consisted of slots for two ice trays, and the bulky unit had only nine cubic feet of storage space.

As early as 1921, General Motors, which produced Frigidaire, began a series of improvements that made the electric refrigerator safer, more economical and more dependable. Frigidaire's greatest contribution to the industry, however, was in the area of refrigerants.

Early chemical refrigerants used by all manufacturers were usually toxic; a leak could actually cause harm to persons who breathed the fumes. Often, refrigerator were placed outside the kitchen on the back porch, and hospitals generally could not use them.

In 1928, a General Motors research team set out to find a non-toxic, non-flammable refrigerant, one that would also have a distinct odor in case a leak developed. Within two years, the company had developed dichloro-difluoromethane, better known as Freon-12. Freon-12 was offered to all competing manufacturers, and is still the safest and most used refrigerant available.

GAFFERS & SATTLER

(See Magic Chef)

GENERAL ELECTRIC CO.

Major Appliance Business Group
Appliance Park
Louisville, KY 40225
(502) 452-4311

REGIONAL OFFICES

Sales & Service Operations,
Appliance Park, Louisville, KY 40225.
(502) 452-0761. S.J. O'Brien,
vice president & general manager.

East:

Atlanta, GA (409) 980-8402;
Westwood, MA (617) 329-3915;
Ft. Lee, NJ (201) 585-6000;
Clearwater, FL (813) 791-1504;
Cleveland, OH (216) 363-3660;
Horsham, PA (215) 443-9200;
Jessup, MD (301) 953-0320.

LISTINGS

West:
Dallas, TX (214) 770-0730;
Denver, CO (303) 320-3400;
St. Louis, MO (314) 997-8355;
Bellaire, TX (713) 660-3180;
Orange, CA (714) 978-8201;
Downers Grove, IL (312) 810-4202;
Pleasanton, CA (415) 340-6414.

OFFICERS

John F. Welch, Jr.
Chairman & CEO/General Electric Co.

Roger W. Schipke
Senior vice president &
group executive/MABG

T.E. Dunham
Vice president & general manager/
Major Appliance Production Division

J.C. Truscott
Vice president & general manager/
Major Appliance Technology Division

Bruce A. Enders
Vice president & general manager/
Major Appliance Marketing Division

Stephen J. O'Brien
Vice president & general manager/
sales and service operations

G.R. Cote
Vice president & general manager/
Consumer Services Division

J.T. Helwig
Manager/major appliance finance
& information services

Dan Jordan
General manager/primary cooking,
microwave oven management
operations

John Higgins
General manager/refrigeration,
room air management operations

SALES

General Electric Co.
1984 - \$27.9 billion
1985 - \$28.3 billion
Major appliances
1984 - \$3.65 billion
1985 - \$3.62 billion

EMPLOYEES

MABG 13,500

PRODUCT LINES

General Electric

Hotpoint

Refrigerator/freezers
Electric & gas ranges
Dishwashers
Washers & dryers
Microwave ovens
Room air conditioners
Dehumidifiers
Disposers
Compactors

DISTRIBUTION

General Electric and Hotpoint
products are sold through a mixture
of one- and two-step distribution.

Sales contact

East: L.R. Johnston, general
manager/sales & distribution.
(502) 452-0452.

West: A.G. Myers, general
manager/sales & distribution.
(502) 452-3622.

PROFILE

The General Electric Co. was founded
in 1878 by Thomas Edison. Its involve-
ment in the appliance business dates
back to 1909, when the Hughes Range
Co., later a GE unit, produced the first
electric range. In 1927, the Monitor Top
refrigerator was introduced by GE and
was the first major appliance affordable
to the masses.

Since then, the company has grown
to offer a full line of major appliances
under two major brands, GE and Hot-
point, which GE acquired in 1918
through a merger with two companies,
Hotpoint and the Hughes Electric Co.
The line of primary products include
refrigerators, ranges, dishwashers and

washers and dryers. Other products in-
clude microwave ovens, room air con-
ditioners, freezers, disposers and
compactors.

General Electric's extensive resources
in research and development as well as
market research have enabled the com-
pany to create many innovations that
are today considered industry stand-
ards. For example, the self-cleaning
oven, the through-the-door ice and
water dispenser and the under-the-

cabinet microwave oven were all GE
innovations.

GE has undertaken an extensive,
long-range capital investment program
to strengthen its position as a leader in
high-quality, cost efficient appliance
manufacturing. The company is invest-
ing over \$1 billion in state-of-the-art
factory automation, first evidenced by
the completion in 1983 of an automated
dishwasher production facility in
Louisville. A modernized refrigeration

facility in Bloomington, IN, began pro-
ducing the new SpaceCenter 27 side-
by-side refrigerator in 1986. And other
facility modernization projects are
underway.

SPOTLIGHT

Roger W. Schipke
Senior vice president &
group executive - MABG

"The best thing a GE retailer can do to
maximize profits in 1987 is simply

VISUALIZE A KITCHENAID WASHER & DRYER.

You'll be seeing the real
thing in January. When
KitchenAid® will
introduce a new line of
washers and dryers,
which will be everything
in your mind's eye and
more. They'll offer all the
premium quality, work-
manship, features and
reliability that go with
the KitchenAid name.

And laundry equip-
ment is only one of the
new profit opportunities
coming from KitchenAid.
We'll also be introducing
a new line of refriger-
ators and freezers. New
electric ranges. New
microwave ovens. And
new built-in ovens and
cooktops which will ex-
tend the line to every size
any customer needs.

With research that
shows that homeowners would
like more major appliances
with the KitchenAid name, this

great new lineup of KitchenAid
products will present a remark-
able opportunity for you to

capitalize as never before
on the KitchenAid
reputation as America's
premium, high-perform-
ance line.

And because such
quality appliances
require the total involve-
ment of full-time field
sales and service
people, we are backing
the line with a new,
direct KitchenAid sales
organization and dis-
tribution system to serve
you better.

To find out what a
commitment to a part-
nership with KitchenAid
can mean for your profit
picture, call our zone
office nearest you: Los
Angeles (714) 261-1806,
Dallas (214) 506-8296,
Dayton (513) 454-6600,
Atlanta (404) 434-1004.



KitchenAid

KITCHENAID FOR THE WAY IT'S MADE.



Roger W. Schipke
Senior vice president & group executive - MABG



Dan Jordan
General manager/primary cooking, microwave oven management operations



John Higgins
General manager/refrigeration, room air management operations

leverage what GE is doing to maintain leadership in the major appliance industry. The dealer should communicate these efforts to customers, and display the fullest line of GE products possible so that when the customer arrives on the showroom floor, he or she can be sold.

"Much of what GE is doing has a

direct benefit to the consumer or to dealers through our Premier Dealer program. Our company spends millions of dollars to respond to consumer needs with innovative, relevant appliances and to deliver the highest possible quality. We're spending additional millions to make the consumer aware of these products and to generate traffic for the dealer.

"We've also provided the dealer with a variety of pre-purchase and post-purchase support programs, such as the GE AnswerCenter and what we believe is the most extensive factory service network in the industry. Almost three million people a year call the GE AnswerCenter, 365 days a year, 24 hours a day, to talk with customer service representatives. They find out where to buy GE products, and receive use and care information.

"The dealer benefits when he displays a broad selection of products, including those at the high-end, and communicates the whole services package to the consumer."

GERALD INDUSTRIES INC.

3505 N.W. 112th St.
Miami, FL 33167
(305) 688-6634

REGIONAL OFFICES

Not applicable

OFFICERS

Harvey Gerald
President
Tom O'Neal
Vice president/marketing
Orlando Matas
Operations manager
Cesar Fuentes
Service manager

SALES

Not available

EMPLOYEES

Not available

PRODUCT LINES

Gerald
Compact refrigerators/freezers
Full-sized refrigerators/freezers
Microwave ovens

DISTRIBUTION

Gerald distributes direct to dealers through sales representatives across the country. Products are shipped from four regional warehouses: Miami, New York, Chicago, Los Angeles.

Sales contact

Tom O'Neal, vice president/marketing, (305) 688-6634.

PROFILE

Gerald Industries, a supplier of appliances, was incorporated November 30, 1977.

GIBSON - WCI

300 Phillips Rd.
Columbus, OH 43228
(614) 272-4100

(Also see White Consolidated Ind.)

REGIONAL OFFICES

Hatboro, PA (215) 675-8914;
Clarksville, IN (812) 284-0648;
Columbia, MD (301) 730-6596;
Marietta, GA (404) 977-8637;
Belding, MI (616) 761-3121;
Germantown, TN (901) 754-2642;
Kansas City, MO (816) 587-9534;
Euless, TX (817) 571-0612;
Napa, CA (707) 224-6140;
Beaverton, OR (503) 645-2966.

OFFICERS

K.D. Arend
Vice president/sales

PRODUCT LINES

Gibson

Refrigerator/freezers
Freezers
Laundry
Gas & electric ranges
Dishwashers
Room air conditioners
Dehumidifiers

DISTRIBUTION

Gibson is distributed nationally through independent distributors.

Sales contact

K.D. Arend, vice president/sales.
(614) 272-4739.



K.D. Arend
Vice president/sales - Gibson

PROFILE

Gibson's heritage lies in 1877 when Joshua Hall came to Belding, MI with his three sons to manufacture ice boxes. Soon after, an Englishman named John L. Lewis, also in the refrigeration business, joined the Belding-Hall Co. Today, Lewis is credited with the introduction of air circulation in the refrigerator.

In 1908, Frank S. Gibson, Sr., a Greenville, MI merchant, purchased the Skinner-Steele Furniture Factory in Greenville. Lewis joined the company to head up manufacturing of "ice refrigerators." The success of this factory led to Gibson interests eventually purchasing all of Belding-Hall.

The Gibson Refrigerator Co. began making electric refrigerators in 1931. Some of Gibson's firsts include the full-swung shelf, the moist chiller and the refrigerator interior light. Gibson started manufacture of electric ranges in 1939, and room air conditioners in 1952.

In 1956, Gibson became a division of Hupp Corp., and in 1967, Hupp was merged into WCI.

GLENWOOD

(See Caloric)

GOLD CHEF

(See Brown Stove Works)

GOLDSTAR ELECTRONICS INTERNATIONAL INC.

1050 Wall St. West
Lyndhurst, NJ 07071
(201) 460-8870

REGIONAL OFFICES

East: 1050 Wall St. West,
Lyndhurst, NJ 07071. (201) 460-8870.
Joe Greco, NE sales manager
Midwest: 8410 W. Bryn Mawr Ave.,
Suite 1040, Chicago, IL 60631.
(312) 693-0450. D.M. Koo,
sales manager

South: 4545 Fuller Drive -350,
Irving, TX 75062. (214) 258-6168.
John Stima, SE sales manager;
Randy Mason, SW sales manager.
West: 13013 E. 166th St.,
Cerritos, CA 90701. (213) 404-1224.
Frans Ransons, sales manager.

OFFICERS

Y.J. Kim
President
Bob Jang
Executive vice president
Joseph Klein
Director of marketing

SALES

Goldstar Electronics Int'l. Inc.

1984 - \$200 million
1985 - \$300 million
1986 (proj.) - \$400 million

EMPLOYEES

Goldstar Electronics Int'l. 16,000

PRODUCT LINES

Goldstar
Microwave ovens

DISTRIBUTION

Goldstar distributes by a combination of direct sales and two-step distribution. Products are shipped nationally from six warehouses.

PROFILE

The Seoul-based Goldstar Co. Ltd., is credited with having launched the Korean electronics industry in 1958 when it created the country's first radios. Soon after, the company began building consumer products such as refrigerators, washing machines, TV sets, electric fans, VCRs, tape recorders, stereo hi-fi equipment and microwave ovens, as well as industrial motors, pumps and other industrial equipment. Goldstar currently holds 50 percent of the consumer product market in Korea.

Goldstar first came to the United States in 1978, offering a line of color and black & white TVs. The company has since added a wide range of electronics products, including microwave ovens. Goldstar has also established factories in the U.S., with a color TV plant and a microwave oven facility now active in Huntsville, Alabama.

Goldstar Co., Ltd. is a subsidiary of the \$11 billion worldwide conglomerate, The Lucky-Goldstar Group, with 29 major companies and 28 affiliates. The firm is involved with chemicals, energy, resources, construction, engineering, finance, electronics and telecommunications.

SPOTLIGHT

Young J. Kim
President

"Dealers will hold the key to maximizing major appliance profits in 1987, by carrying a greater selection of sizes and features for their customers.

"Microwave ovens offer perhaps the best example of this position. There's no question that smaller-cavity ovens will continue to gain sales momentum over the larger cavity ovens above 1.0 cubic foot. But the dealer who devotes less attention to the larger ovens stands to pass up both the opportunity to trade a customer up to a higher-priced model, and the larger profits that result."

LOOKING FOR

PRODUCT? . . .

Then take a look at MART's special NAHB supplement, featuring the latest in the world of home appliances. Coming in February . . .

HARDWICK STOVE CO.

240 Edwards St.
Cleveland, TN 37311
(615) 479-4561

(Also see Maytag Co.)

REGIONAL OFFICES

Not available

OFFICERS

James E. O'Malley
Director of marketing
Douglas L. Auten
Manager/advertising &
sales promotion

SALES

Not available

EMPLOYEES

Not available

PRODUCT LINES

Hardwick

Gas/electric ranges
Gas/electric surface units
and wall ovens
Microwave ovens
Gas grills

DISTRIBUTION

Hardwick sells to a national distributor network through factory representatives. Additionally, in markets where strong distribution does not exist, Hardwick will sell major accounts direct through factory representatives.

Sales contact

John Deszyck, manager/distributor sales. (615) 479-4561.

PROFILE

Hardwick Stove Co. was founded in 1879. It is the oldest, continuous range manufacturer in the U.S., and the only manufacturer in the U.S. with a complete line of cooking appliances, including gas grills. Hardwick's pioneering achievements include the development of continuous clean ovens in gas ranges in 1967.

SPOTLIGHT

Jim O'Malley
Director of marketing

"Dealer principals and their sales personnel need to pay more attention to 'the last three feet.'"

Better efforts are needed in retail selling techniques and in describing product features to the consumer. Profit margins can be protected with good product knowledge and the ability of the sales force to 'sell products' with better features and more profitable options, rather than 'take orders' for low priced, advertised leaders.

Obviously, consumers should be given the choice, however, good salesmanship will allow the dealer and his organization to move up to more profitable models.

Additionally, dealers need to review their floor models and work with sound step-up and sales strategies among the various models that are on display. Units that don't fit a sales strategy should be discontinued and this will result in better inventory control and higher net profits."

HITACHI SALES CORP. OF AMERICA

401 West Artesia Blvd.
Compton, CA 90220
(213) 537-8383

REGIONAL OFFICES

East: 1290 Wall St. West,
Lyndhurst, NJ 07071.
(201) 935-8980.

Midwest: 1400 Morse Ave.,
Elk Grove Village, IL 60007.
(312) 593-1550.

South: 510 Plaza Dr., College Park,
GA 30349. (404) 763-0360.

West: 401 West Artesia Blvd.,
Compton, CA 90220.
(213) 537-8383.

OFFICERS

Y. Kobayashi
President
Robert O'Neil
Executive vice president
Irv Fulton
Vice president/sales
Bruce Schoenegge
Vice president/product development

Irv Lande
National sales manager/
small appliances-microwaves

SALES

Hitachi (Japan)
1984 - \$17.5 billion
1985 - \$20.5 billion

Hitachi (America)

Not available

EMPLOYEES

Hitachi (worldwide) 165,000

PRODUCT LINES

Hitachi

Microwave ovens

DISTRIBUTION

Hitachi distributes products to dealers through a mixture of independent distributors and direct sales.

Sales contact

Irv Fulton, vice president of sales.
(213) 537-8383.

PROFILE

The Japanese parent company of Hitachi Sales Corp. of America, was founded 76 years ago as a shop which specialized in the repair of electric machinery used in mining. The company takes its name from the fishing village of Hitachi located some 90 miles from Tokyo.

Today, Hitachi's business encompasses the fields of power systems and equipment including nuclear power plants, consumer products including consumer electronics, information and communication systems, computers, industrial machinery, electrical cable, metals and chemicals. In Japan, the company's appliance products include room air conditioners, refrigeration, washers and dryers, microwave ovens, and others.

HOTPOINT

(See General Electric Co.)

IBERNA

(See F.G. Industries)

IMPERIAL

(See Brown Stove Works)

JENN-AIR CO.

3035 N. Shadeland
Indianapolis, IN 46226-0901
(317) 545-2271

(Also see Maytag Co.)

REGIONAL OFFICES

Not applicable

OFFICERS

Donald M. Lorton
President
Claude A. Paten
Vice president/marketing

SALES

Not available

EMPLOYEES

Jenn-Air 600

PRODUCT LINES

Jenn-Air
Grill-ranges
Cooktops
Grills/accessories

Wall ovens

Microwave ovens
Food waste disposers
Refrigerators
Dishwashers
Trash compactors

DISTRIBUTION

Jenn-Air's distribution network includes over 75 independent distributors who sell to dealers throughout the U.S., Canada, and in export markets.

Sales contact

Jerry K. Rinehart, director/sales;
Dwight E. Stanfield, director/
marketing services. (317) 545-2271.

PROFILE

The Jenn-Air Products Co. was founded in Indianapolis in 1947 by inventor Louis J. Jenn, as a manufacturer of industrial ventilation equipment.

In 1961, Jenn-Air entered the home appliance field. It produced the first residential range featuring a built-in ventilation system that vented cooking fumes outdoors. An eye-level double oven installed over the range also ventilated to the outside. These first two appliances built by Jenn-Air won the "Best Design of a Consumer Product" award by the American Iron and Steel Corp.

In 1965, the company became the Jenn-Air Corp. That year, Jenn-Air also introduced the first surface-ventilated range. Using an exhaust at the surface of the range increased the fume "capture velocity" nine times over that of a similarly powered overhead exhaust system located further from the cooktop. The first surface-ventilated electric grill cooktop and range were brought out in 1967. Other innovations followed, including the first convertible plug-in cooktop grill-range.

In 1975, Jenn-Air spun off its commercial and industrial ventilation products division into Jenn Industries Inc., a subsidiary of Jenn-Air.

In January 1979, Jenn-Air was merged into Carrier Corp.; in June, Carrier was merged into United Technologies Corp. In June 1982, Maytag Co. purchased Jenn-Air and Jenn Industries from Carrier.

SPOTLIGHT

Donald M. Lorton
President

"Maximizing profits on major appliances involves practicing some basic sales strategies. This is especially true of high-end products such as Jenn-Air's."

"On the selling floor, show high-end appliances arranged in a logical se-

quence from good-better-best.

"Lower priced and advertised specials placed in the back of the store will draw consumers through your display of highly desirable grill-ranges and cooktops.

"Create a kitchen setting and put built-ins in cabinets to help your customers visualize how the equipment will look in their kitchens.

"Demonstrate the products on display.

"Know your customers. What do they want? What do they need? Remember that many of them have not been shopping for appliances in some years. So start by showing them the middle model, explaining all the features. You will find out quickly their interest in trading further up the line.

"Know products inside out. Then you can explain feature step-ups and their monetary value that justify the higher price. Use point-of-purchase materials and other dealer aids.

"You must have a range of low, medium and high-end products on the selling floor. Otherwise, the jump from low to high will represent too large a difference in investment."

KELVINATOR - WCI

300 Phillipi Rd.,
Columbus, OH 43228.
(614) 272-4100

(Also see White Consolidated Ind.)

REGIONAL OFFICES

Wellesley Hills, MA
(617) 237-2093.
Germantown, TN
(901) 757-9407.
East Grand Rapids, MI
(616) 942-2445.
Birmingham, AL
(205) 252-9783.
Aurora, CO
(303) 699-2716.

OFFICERS

R.J. Conklin
Vice president/sales

PRODUCT LINES

Kelvinator

Refrigerator/freezers
Freezers
Laundry
Electric ranges
Dishwashers
Room air conditioners
Dehumidifiers

DISTRIBUTION

Kelvinator is distributed nationally through regions and independent distributors.

Sales contact

R.J. Conklin, vice president/sales.
(614) 272-4740.

PROFILE

Kelvinator traces its origins back to 1881 when Charles H. Leonard, scion of the founder of a renowned Grand Rapids, MI furniture manufacturer, designed and began to manufacture a "cleanable" icebox with removable shelves. His firm was known as the Leonard Refrigerator Co. and became known for its shelving and high quality cabinets.

In 1914, in nearby Detroit, a Buick Automobile Co. executive named Arnold Goss provided backing for an electric refrigerating system designed by Nathaniel Wales. Wales started the Electro-Automatic Refrigerating Co. He chose Leonard's cabinets to house his system. Wales renamed the company Kelvinator in 1916, in honor of the noted British physicist Lord Kelvin who, among other achievements, developed an absolute scale of temperature.

During the Great Depression, Kelvinator sought stability by merging with



Donald M. Lorton
President



R.J. Conklin
Vice president/sales - Kelvinator

the Nash Motor Co. in 1937. The firm was renamed Nash-Kelvinator.

In 1939, the company developed the industry's first refrigerator with an "across the top" freezer. It was followed, after the war years, with the first two-door refrigerator with two cold zones, and then, the first full-length refrigerator.

Nash-Kelvinator made a move into laundry equipment in 1952 with the purchase of Altorfer Bros. Co. Two years later, in an effort to remain a viable auto-maker, the company merged with Hudson Motor Co. The new firm was called American Motors Corp., and Kelvinator became a separate division.

In the following years, Kelvinator continued to innovate, introducing the first side-by-side refrigerator in 1955.

American Motors placed Kelvinator up for sale in 1967 after deciding to focus its resources on cars. The eventual buyer was WCI.

KITCHENAID INC.

Administrative Center
701 Main St., St. Joseph, MI
49085-1392. (616) 982-4500
(Also see Whirlpool Corp.)

REGIONAL OFFICES

East: 3800 Space Drive, Dayton, OH 45414. (513) 454-6600. Greg Friss, zone manager

Central: 8200 Springwood Dr., Suite 200, Irving, TX 75063. (214) 506-8296. Tom Chapman, zone manager.

Southern: 5500 Highlands Pkwy., Suite 600, Smyrna, GA 30080. (404) 434-1004. Don Hassinger, zone manager.

Western: 34 Executive Park, Suite 240, Irvine, CA 92714. (714) 261-1806. Mike Dissinger, zone manager.

OFFICERS

Glenn Olinger
President
Brian Walker
Division vice president/merchandising
Charles Proctor
Division vice president/sales and distribution
Charles Evans
Division vice president/marketing and sales — portables

SALES

KitchenAid Inc.
1986 (proj.) - \$200 million

EMPLOYEES

Whirlpool 27,716
KitchenAid 1,500

PRODUCT LINES

KitchenAid

Dishwashers
Built-in dishwashers
Electric/gas ovens
Built-in electric ovens
Electric cooktops
Built-in electric cooktops
Gas cooktops
Combo microwave/self-cleaning ovens
Combo microwave convection/self-cleaning ovens
Trash compactors
Food waste disposers
Instant hot water dispensers

DISTRIBUTION

KitchenAid distributes directly to dealers through regional zones and an in-house sales force.



Glenn S. Olinger
President



Brian Walker
Division vice president/merchandising



Charles Proctor
Division vice president/sales and distribution

PROFILE

The KitchenAid trade name began in 1919 with the introduction of the home mixer. Developed by Troy Metal Products Co. of Troy, Ohio, a subsidiary of Hobart Corp., that product was based on Hobart's first successful commercial mixer. The KitchenAid name was created by the wife of one of the executives working on the project who, serving as a product tester, called it "the best kitchen aid" she'd ever used.

In 1924, KitchenAid Manufacturing Co. became a subsidiary of Hobart. It was purchased by a group of investors in the early 1930s, and reacquired by Hobart in 1936.

In 1949, KitchenAid introduced its first home dishwasher, which marked the company's entry into the major home appliance field.

Additional product introductions followed. Food waste disposers and Instant Hot Water Dispensers were added to the line after the 1966 acquisition of the Plumbing Equipment Division of the National Rubber Machinery Corp. KitchenAid trash compactors were introduced in 1972.

In 1983, the company took a major step to broaden its product line by acquiring the Chambers Corp. of Oxford, Mississippi, a major manufacturer of premium quality built-in cooking equipment. This allowed KitchenAid to introduce a full line of ovens and cooktops including the convection microwave/thermal oven combination.

In February 1986, KitchenAid became a division of Whirlpool Corp., and in August, the administrative, sales, and marketing operations moved to the newly refurbished Washington School building in St. Joseph, Michigan. Other administrative offices remain in Dayton, Ohio.

SPOTLIGHT

Glenn S. Olinger
President

"There is nothing magic about maximizing profits. It takes a lot of hard work plus attention to the fundamentals. Basically, you can only make more profit in three ways — increased price or better mix, increased volume, and reduced cost (acquisition and/or operating).

"The best way, I believe, is to improve mix; let's sell better featured, higher-end products. Remember, chances are every customer who buys a major appliance will not need another one of those products for 10 to 15 years. Step up profits by stepping up the sale."

LITTON

4450 Mendenhall Rd. South
Memphis, TN 38101-9990
P.O. Box 1976
Memphis, TN 38101-9990
(901) 366-3000

REGIONAL OFFICES

Not available

OFFICERS

Wayne Bledsoe
President
Howard Bonner
Vice president/engineering
Gary Pearson
Vice president/finance and administration
Sid Hose
Vice president/marketing and sales
Edward J. Ward
Vice president/consumer sales

SALES

Not available

EMPLOYEES

Not available

PRODUCT LINES

Litton

Microwave ovens
Built-in ovens
Microwave accessories

DISTRIBUTION

Not available

Sales contact

Edward J. Ward, vice president/
consumer sales. (901) 366-3000.

MAGIC CHEF INC.

740 King Edward Ave.
Cleveland, TN 37311
(615) 472-3371

(Also see Maytag Corp.)

REGIONAL OFFICES

Northeast: Strathmore Office Plaza,
20 Cambridge Dr., Matawan,
NJ 07747. (201) 566-8667.

Sid Friedman, regional manager.

Great Lakes: Higgins Executive
Center, 1030 W. Higgins Rd.,
Suite 109, Hoffman Estates, IL 60195.
(312) 310-0770. Bob Nelson,
regional manager.

Southcentral: Corporate Plaza #1,
Las Colinas, 4950 North O'Connor Rd.,
Suite 160, Irving, TX 75062.
(214) 252-2155. Jerry Johnson,
regional manager.

Northcentral: 11775 W. 112th St.,
Suite 201, Overland Park, KS 66210.
(913) 469-5737. Bob Britz,
regional manager.

Southeast: 111 Village Pkwy.,
Suite 201, Bldg. 2, Marietta, GA
30067. (404) 956-0683. Joe Staud,
regional manager.

West: 125 North Vineland Ave.,
City of Industry, CA 91746;
P.O. Box 1219, City of Industry,
CA 91749. (818) 330-6878.
Hugh Eubank, regional manager.

OFFICERS

S.B. Rymer, Jr.
Chairman, CEO/Magic Chef Inc.
J. Hoyle Rymer
President/Magic Chef Inc.

Jim McDavitt
Senior vice president/marketing
and sales

SALES

Not available

EMPLOYEES

Magic Chef Inc. 6,200

PRODUCT LINES

Magic Chef

Refrigerators
Freezers
Compact refrigerators
Dishwashers
Microwave ovens
Gas/electric ranges
Gas/electric built-in cooktops
Built-in wall ovens
Waste disposers
Trash compactors
Residential washers/dryers
Commercial washer/dryers
Dehumidifiers
Recreational vehicle ranges
Vent hoods

Gaffers & Sattler

Gas/electric ranges
Recreational vehicle ranges

DISTRIBUTION

Magic Chef distributes direct to independent appliance dealers and through builder distributors.

PROFILE

Magic Chef Inc., headquartered in Cleveland, TN, is a division of the Maytag Corp., ranked number four in the U.S. in the production of major kitchen



S.B. Rymer, Jr.
Chairman, CEO/Magic Chef Inc.

appliances and laundry equipment.

Magic Chef Inc. includes two divisions and two subsidiaries: the Magic Chef Division which produces gas and electric ranges and microwave ovens; the Magic Chef Air Conditioning and Heating Division, a major manufacturer of central air conditioning and heating equipment; Toastmaster Inc., a subsidiary, manufacturing clocks and timers; and another subsidiary, Dixie-Narco Inc., a leading manufacturer of soft drink vending equipment.

Magic Chef was founded in 1916 as the Dixie Foundry Co. The company acquired certain assets and the brand name of Magic Chef in 1958, and changed its name to Magic Chef Inc. in 1960. It became a publicly held corporation on the New York Stock Exchange in 1970.

In the 1950s, Magic Chef purchased Gaffers & Sattler, a manufacturer of ranges based on the West Coast. Today, product with the Gaffers & Sattler brand name is manufactured at a plant in Los Angeles and distributed in 11 western states.

MAYTAG CORP.

Newton, IA 50208
(715) 792-7000

OFFICERS

Daniel J. Krumm
Chairman, CEO
Leonard A. Hadley
President/Maytag Company
S.B. Rymer Jr.
Chairman, CEO/Magic Chef Inc.
Charles A. Dowd Jr.
President/Admiral Home Appliances
Jerry A. Schiller
Senior vice president, chief financial officer/investor relations
Sterling O. Swanger
Senior vice president, chief manufacturing officer

SALES

Not available

EMPLOYEES

Maytag Corporation 15,000

PROFILE

With corporate headquarters in Newton, Iowa, Maytag Corp. is composed of three major appliance divisions: Maytag Co., Admiral, and Magic Chef. These three divisions are comprised of the Admiral, Norge, Warwick, Crosley, Magic Chef, Maytag, Hardwick and Jenn-Air brands.

Maytag Co. and Magic Chef merged on May 30, 1986, and Magic Chef became a wholly owned subsidiary of Maytag Corp. thereafter.

SPOTLIGHT

Daniel J. Krumm
Chairman and CEO

"While the appliance industry has experienced a number of mergers and acquisitions in recent years, this does not mean a reduction of brand names or product lines. In most cases, and certainly with Maytag Corp., the intent is to preserve and maintain brand integrity.

"For the retailer this means stronger and more complete product lines. There will be new merchandising



Daniel J. Krumm
Chairman and CEO

opportunities to reach more customers in the marketplace. Additional models will make it possible for retailers to reach a broader spectrum of the market. This, of course, will translate into an opportunity for greater volume by offering customers a wider choice to meet their individual needs."

MAYTAG CO.

Newton, IA 50208
(515) 792-7000

(Also see Maytag Corp.)

REGIONAL OFFICES

East:

Newton Center, MA (617) 964-3514.
Farmingdale, NY (718) 895-5424.
Marlton, NJ (609) 596-4430.
(215) 568-5910.

Pittsburgh, PA (412) 344-7333.
Westlake, OH (216) 835-1600.

Southeast:

Raleigh, NC (919) 876-1382.
Atlanta, GA (404) 980-6310.
Tampa, FL (813) 875-8863.
Brentwood, TN (615) 337-3500.
Harahan, LA (504) 734-0831.

Midwest:

Melrose Park, IL (312) 681-3308.
Southfield, MI (313) 357-5840.
Brookfield, WI (414) 781-7000.
Minneapolis, MN (612) 545-1451.
St. Louis, MO (314) 962-9982.
North Kansas City, MO
(816) 471-3440.

Southwest:

Dallas, TX (214) 233-7464.
Houston, TX (713) 872-8585.
Englewood, CO (303) 770-2465.

West:

Portland, OR (503) 227-6581.
Union City, CA (415) 471-9600.
City of Industry, CA (818) 965-2411.

OFFICERS

Leonard A. Hadley
President/Maytag Company
Ralph L. Nunn
Vice president/marketing
Richard J. Haines
General sales manager

SALES

Not available

EMPLOYEES

Maytag Co. 3,400

PRODUCT LINES

Maytag

Washers/dryers
Dishwashers
Disposers
Gas/electric ranges
Wall ovens
Cooktops
Microwave ovens

DISTRIBUTION

Maytag operates through a one-step distribution system employing a field sales staff of 250 serving the company's network of independent dealerships.

PROFILE

Maytag was founded in Newton, IA, in 1893 by F.L. Maytag and three other men. Maytag originally was a manufacturer of farm equipment and attachments.

A wood tub clothes washer was introduced in 1907 to solve seasonal slumps in farm equipment sales as well as to fill the need for a home washing machine. Improvements in the wood tub washer in subsequent years, and the development of an aluminum tub washer, moved Maytag out of the farm equipment business and into appliances exclusively.

Maytag now markets dishwashers, food waste disposers and cooking products in addition to laundry equipment.

Maytag's offices and two manufacturing facilities are located in Newton.



Leonard A. Hadley
President

A component parts manufacturing plant and a parts distribution center are located in Jefferson City, MO. About 3,400 people are employed, including nearly 500 employees in the field throughout the U.S. and Canada.

Maytag Co., a division of Maytag Corp., is headed by Leonard A. Hadley, and includes Hardwick Stove, Jenn-Air and Jenn Industries.

SPOTLIGHT

Leonard A. Hadley
President

"1987 will see Maytag moving even closer to our goal as a full-line supplier of quality major appliances.

"The replacement market continues to be the most significant segment of the major appliance business and we presently are in the midst of an exceptionally strong replacement cycle resulting from the record numbers of appliances purchased during the 1970s.

"To answer these consumer

demands, Maytag is committed to maintaining its leadership position in advanced appliance technology."

MIELE APPLIANCES INC.

12F Worlds Fair Dr.
Somerset, NJ 08873
(201) 560-0899

PRODUCT LINES

Miele

Built-in ovens
Electric cooktops
Gas cooktops
Ceramic cooktops
Built-in dishwashers
Dishwashers
Washers
Dryers

MODERN MAID CO.

A Division Of Caloric Corp.
403 North Main St.,
Topton, PA 19562-1499
(215) 682-1577

REGIONAL OFFICES

Not available

OFFICERS

Raymond J. Dowling
President
Edward J. Herrelko II
Vice president/marketing & sales
Edward W. Smith, Jr.
Vice president/national sales manager

SALES

Not available

EMPLOYEES

Not available

PRODUCT LINES

Modern Maid

Gas/electric built-in wall ovens
Cooktops
Ranges
Cook-N-Clean Centers
Dishwashers
Compactors
Disposers
Built-in toasters

DISTRIBUTION

Direct distribution to buying groups and dealers. Independent distributors also used for sales to dealers and builders.

Sales contact

Edward W. Smith, Jr., vice president/national sales manager.
(215) 682-1577.

PROFILE

The origin of Modern Maid Co. traces back to 1904 with the founding of the Tennessee Stove Works by J. L. Caldwell. Its product line included coal and wood burning ranges and heaters. In the 1930s the company introduced its first gas range. Its line of kitchen appliances developed rapidly throughout the 1940s, and in the early 1950s, it entered the free standing electric range field. By the mid-1950s, the company concentrated its full efforts toward the built-in appliance market.

In 1972, the company merged with McGraw Edison, and in 1978 became the Kitchen Appliance Division of that company. Modern Maid remained as the brand name.

In 1981, the division was sold to Raytheon Co., and became part of Caloric Corp. Modern Maid head-

COMING IN FEBRUARY. . .
MART highlights trade groups and finance companies serving the appliance industry.

LISTINGS



Edward W. Smith, Jr.
Vice president/national sales manager

quarters moved from Chattanooga to Topton, Pennsylvania.

Modern Maid introduced the industry's first gas double wall oven in 1964, "slo cook" in 1977, and push/turn child-safe built-in knobs in 1975.

Today, Modern Maid has four industry exclusive products in its line: the built-in toaster, introduced in 1960; the Cook-N-Clean, which combines in 30 inches of space an eye level bake/broil oven, a cooktop, and dishwasher, introduced in 1968; the gas downdraft cooktop, introduced in 1980; and the touch Tri-Mode microprocessor controlled combination microwave/electric wall oven, introduced in 1985.

SPOTLIGHT

Raymond J. Dowling
President

"The high-end, built-in category of major appliances has recently emerged as a significant profit making center for appliance dealers.

"In the past, retailers had conceded this business to kitchen specialists. Recent activity by sophisticated retailers has proven that there is tremendous profit potential in this category.

"In 1985, high-end built-ins represented eight percent of total major kitchen appliance sales. During 1986, this figure jumped to 10 percent. The prime reason has been the entry of dealers into this category. By actively promoting built-ins, retailers have not only helped to greatly expand this market, but also pick up significant profit dollars. High-end built-ins command top dollars, and bring an upscale clientele into the store. Dealers who wish to maximize profits in 1987 should consider looking into this marketplace."

NATIONAL

(See Brown Stove Works)

NORGE

(See Admiral)

O'KEEFE & MERRITT

(See Tappan)

PANASONIC CO.

One Panasonic Way
Secaucus, NJ 07094
(201) 343-7000

(Also see Quasar)

REGIONAL OFFICES

Northeast:

Secaucus, NJ (201) 348-7000;
Westwood, MA (617) 326-4000.

Mid-Atlantic:

Baltimore, MD (301) 761-1900;
Albany, NY (518) 456-8242;
Philadelphia, PA (215) 364-8300;
Pittsburgh, PA (412) 561-8823.

Midwest:

Arlington Heights, IL (312) 364-7900;
Farmington, MI (313) 477-2760;
Bloomington, MN (612) 829-0019;
Hazelwoods, MO (314) 731-1344.

Southern:

Norcross, GA (404) 923-9700;
Miami, FL (305) 621-5814;
Irving, TX (214) 550-1400;
Houston, TX (713) 590-3663.

West:

Cypress, CA (714) 895-7200;
Hayward, CA (415) 887-5830;
Renton, WA (206) 251-5209;
Portland, OR (503) 257-9661;

Anchorage, AK (907) 276-7191;

Aurora, CO (303) 371-3080;
Phoenix, AZ (602) 273-0713;
Honolulu, HI (808) 682-2851;
Carolina, Puerto Rico (809) 750-4300.

OFFICERS

Kiyoshi Seki
President
Henry Yamanaka
Executive vice president, CEO

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LISTINGS

Ralph Wolfe
Senior vice president/
sales and marketing
Steve Asada
Senior vice president/
merchandising-corporate planning
Maurice Guiheen,
Vice president, group general
manager/home appliance group
Dick Muehlenhard
General manager/major
appliance development
Jeff Vogel
Marketing and merchandising
manager/major appliances

SALES

Matsushita Elec. Ind. Co., Ltd.:
1984 - \$23.3 billion
1985 - \$24.9 billion

Panasonic:

Not available

EMPLOYEES

Matsushita Elec.
Ind. Co., Ltd. 134,000

PRODUCT LINES

Panasonic

Compact refrigerators
Air conditioners
Portable laundry
Major appliances:
Induction/electric cooktops
Electric ranges
Electric wall ovens
Dishwashers
Built-in dishwashers
Refrigerators
Freezers
Waste disposers

DISTRIBUTION

Panasonic uses direct sales in
key markets and independent
distributors in other areas.

Sales contact

Ian Brydon, national sales manager/
major appliances; Bob Falzone,
national sales manager/small
appliances. (201) 348-7000.

PROFILE

Matsushita Electric Industrial Co., Ltd.
of Japan formally incorporated Matsushita Electric Corp. of America in 1959.
Before establishing this U.S. arm, the
company had been selling Matsushita
product here on a limited basis, through
a joint venture with the Imperial Knife
Co. called MACO Electronic Corp.
MACO's business was in private brand
transistor and tube radios.

Matsushita's new American subsidiary
quickly purchased all franchise
and distribution rights from MACO,
dissolving the joint venture. Coming
along to help launch the new venture
was Bud Fujii, the Matsushita representative
at MACO, and Ray Gates, an
American hired by Imperial Knife to
work with Fujii handling distribution
of Matsushita product. Gates, along
with Fujii and "Morey" Matsumoto,
are credited with helping to establish
an orderly distribution system that
became a chief factor in the company's
rapid success.

The Panasonic brand name used for
the company's products was taken from
a high fidelity loudspeaker, model
8P-W1, which was marketed from 1956
through a New York distributor.

The parent company in Japan was
founded in 1918 by Konosuke Matsushita
who, with two employees, set out
to produce an electric plug adapter he
had designed. It has grown into one of
the world's largest industrial corporations.
Today Matsushita products are sold in
more than 130 countries under the
brand names National, Panasonic,
Technics, Quasar and JVC. In addition
to its consumer products, Matsushita
manufactures a wide range of industrial
electronics and machinery.

PAYNE

(See Carrier Corp.)

PORTLAND

(See Daeu Electronics Corp.)

QUASAR CO.

1325 Pratt Blvd.
Elk Grove Village, IL 60007
(312) 228-6366

REGIONAL OFFICES

East: 1050 Wall St. West, Lyndhurst,
NJ 07071, (201) 438-8100.

David Isenberg, zone manager.
Branch office in: Norwood, MA;
Pittsburgh, PA; Warminster, PA.

Southeast: 6255-C Boat Rock Blvd.,
Atlanta, GA 30336, (404) 346-1881.
Gabe Villant, zone manager.

Midwest: 1325 Pratt Blvd.,
Elk Grove Village, IL 60007.
(312) 228-2895. Larry Kwolek,
zone manager.

Branch office in: Taylor, MI.
Southwest: 4201 Diplomacy Rd.,
Fort Worth, TX 76155.

Neil Davis, zone manager.
Branch office in: Spring, TX.
Western: 16100 E. Foothill Blvd.,
Azusa, CA 91702, (818) 969-8881.

Bob Barman, zone manager.
Branch office in: Hayward, CA.

OFFICERS

F. Jack Pluckhan
President

Keith Nishikawa
Executive Vice President
Wallace A. Fraser, III
General manager/appliance division

SALES

Matsushita Elec. Ind. Co. Ltd.
1984 - \$23.3 billion
1985 - \$24.9 billion

Quasar:

Not available

EMPLOYEES

Matsushita Elec.
Ind. Co. Ltd. 134,000
Quasar 200

PRODUCT LINES

Quasar

Microwave ovens
Microwave/convection ovens
Refrigerators
Air conditioners

DISTRIBUTION

Quasar distributes through a
nationwide network of both
independent distributors and
company-owned zones and branches.

Sales contact

Wallace A. Fraser, III,
general manager/appliance
division. (312) 228-6366.

PROFILE

Quasar was formed in May of 1974
when Japan-based Matsushita Electric
Industrial Co. Ltd., one of the world's
largest consumer electronics companies,
purchased the Consumer Products
Division of Motorola Inc.

In the intervening years, Quasar Co.
has established itself as a marketer of
color, projection and black-and-white
televisions; video cassette recording
equipment; portable audio and home
entertainment systems; microwave/
convection ovens; compact refrigerators
and room air conditioners.

In addition to these and other products,
Quasar offers a comprehensive
marketing support program including
a strong national advertising program,
sales aids and training, merchandising
support and publicity to help the dealer
in his marketing activities.

SPOTLIGHT

Jack Pluckhan
President

"The major appliance retailer must first
accept some realities for 1987. The
changes in our tax code may have a
negative impact on consumer purchases
and remodeling plans, at least for the
first half of the year until consumers
fully understand the ramifications of
the new tax laws. Second, some brands
may be shaken out as part of corporate
consolidations, while others may be
consolidated with other existing brands.

"To counter these negative influences
on sales and maximize profits in '87,
the retailer must look at his suppliers,
and consider strengthening his commitment
to those who view him as important.
This can be essential to insuring prompt
delivery of product.

"If the retailer tries to broaden his
offerings, he should broaden the products
in each individual line, rather than
look to a wider variety of suppliers.
This allows him to maintain a logical
good-better-best relationship of products,
enabling the consumer to make intelligent
choices.

"Last, but very important, the retailer
must remain visible. His promotional
activities will be more important in an
uncertain economy than ever before."

RANGAIRE CORP.

501 S. Wilhite
P.O. Box 177
Cleburne, TX 76031
(817) 645-9111

REGIONAL OFFICES

Not available

OFFICERS

R.E. Roberts
Chairman, CEO
J.M. Hill
President, chief operating officer
J.W. Browder
Vice president/marketing
Benny G. Falcon
National sales manager

SALES

Rangaire Corp.
1984 - \$72.2 million
1985 - \$76.9 million
1986 - \$79.9 million

EMPLOYEES

Rangaire Corp. 860

PRODUCT LINES

Rangaire

Range hoods
Exhaust fans
Compact refrigerators
Compact freezers
Beer coolers
Induction cooktops

DISTRIBUTION

Rangaire's appliances are sold
directly to independent dealers and
distributors for resale. The company
also sells private brand product to
national retail merchandising chains.

Sales contact

Benny G. Falcon, national sales
manager, (817) 645-9111.

PROFILE

Rangaire was incorporated in 1950 and
is engaged in three separate and
distinct businesses: home appliances,
production and sale of limestone and
lime products, and general building
contracting.

In the home appliance field, operations
are conducted through one division
and one wholly-owned subsidiary,
Induction Corp. (formerly named
"Chambers Corp.")

Principal manufactured products in

this business include kitchen range
hoods, fluorescent lighting fixtures,
compact freezers and induction-heat
cooking units. Until late in fiscal year
1983, a line of high-quality built-in
appliances was manufactured for the
company by the Chambers Corp. At
that time, an agreement was reached
with the KitchenAid division of Hobart
Corp., in which all of the principal
assets of Chambers Corp. were purchased
by KitchenAid.

RAYTHEON CO.

141 Spring St.
Lexington, MA 02173
(617) 860-2414

OFFICERS

Thomas L. Phillips
Chairman and chief executive
Charles W. Schmidt
Senior vice president/appliances

SALES

1985 - \$6.4 billion
Raytheon Appliance Group
(Includes Amana, Caloric Corp./
Modern Maid, Speed Queen)
1984 - \$797 million
1985 - \$785 million

EMPLOYEES

Raytheon (worldwide) 73,000

PROFILE

Raytheon Co. is active in electronics,
aviation, appliances, energy, construction,
and publishing. The company
ranks number 60 in the Fortune 500
listing of the nations largest industrial
firms. It also ranks ninth among prime
contractors to the Department of
Defense.

Founded in Cambridge, MA in 1922.



Thomas L. Phillips
Chairman and chief executive



Charles W. Schmidt
Senior vice president/appliances

the company adopted the Raytheon name in 1925. Its first products were radio tubes. Later, Raytheon became an important supplier of radar equipment for the government during World War II. By 1964, the firm was ready to embark on a diversification program to balance the sales of its government electronics business, which led it to appliances and other industries. Today, Raytheon has five groups which embrace 10 divisions and 12 major operating subsidiaries, with more than 80 plants and laboratories in 26 states.

In appliances, Raytheon is one of the nation's five largest producers. The company's subsidiaries are Amana Refrigeration, Caloric Corp., Modern Maid Co., and the Speed Queen Co.

Among many notable achievements in the company's history, most significant in the appliance field was the first application of microwave energy to the heating of food. Raytheon invented and commercially introduced the first microwave oven, under the trademark "Radarange."

RICCAR AMERICA CO.

14281 Franklin Ave.
Tustin, CA 92680
(714) 669-1760

REGIONAL OFFICES

East: 4725 Fulton Ind. Blvd.,
Atlanta, GA 30336.
(404) 696-3900.

West: 14281 Franklin Ave.,
Tustin, CA 92680.
(714) 669-1760.

OFFICERS

Larry Kroll
President/CEO
Gen. J. Hubbard
Chief operations officer
J.R. Smith
Vice president
Craig Neal
Director/sales & marketing

SALES

Not available

EMPLOYEES

Riccar America 24

PRODUCT LINES

Riccar

Microwave ovens

DISTRIBUTION

Riccar distributes its products directly to retailers from its headquarters and branch offices.

Sales contacts

East: J.R. Smith, vice president.
(404) 696-3900.

West: Craig Neal, director/sales & marketing. (714) 669-1760.

PROFILE

Riccar America Company, which began as a subsidiary of Riccar Japan, has been in business in the United States for 22 years as an importer and distributor of sewing machines, vacuum cleaners, microwave ovens and ceiling fans.

Today, the firm is owned by an American concern, and uses a variety of sources for its Riccar brand products.

ROPER CORP.

1905 W. Court St.
Kankakee, IL 60901
(815) 937-8000

REGIONAL OFFICES

Not applicable

OFFICERS

Robert E. Cook
President, CEO

Wayne L. Harris
Vice president, president/
Roper Sales Corp.

Jerry Cope
Vice president/sales & marketing
- appliances

SALES

Roper Corp.

1984 - \$534 million
1985 - \$521 million
1986 - \$568 million
Kitchen appliances only
1984 - \$189 million
1985 - \$199 million
1986 - \$234 million

EMPLOYEES

Roper Corp. 4,000

PRODUCT LINES

Roper

Gas/electric ranges
Gas/electric double oven ranges
Gas/electric wall ovens
Gas/electric cooktops
Microwave ovens
Dishwashers
Refrigerators
Disposers
Compactors
Hoods

DISTRIBUTION

Roper sells product through a mixture of one- and two-step distribution.

Sales contact

Call (800) 237-6737 for ordering or product information.

PROFILE

Roper was founded in 1874 as a producer of kerosene stoves. Today, Roper Corp. is a major manufacturer of cooking appliances and outdoor power equipment such as lawn tractors and lawnmowers.

Among the innovations Roper has developed are the automatic clock control for oven cooking (pioneered in 1931), a low temperature oven designed to hold at 250 degrees (1937), a giant "Rocket-speed" burner (1956), and the gas self-cleaning range (1968).

The company supplies products under its own brand name as well as under private labels. A key customer is Sears, Roebuck and Co., which purchases appliances and outdoor equipment. According to Roper's annual financial report, Sears accounted for 77.1 percent of sales in fiscal 1986.

SAMPO CORP. OF AMERICA

5550 Peachtree Industrial Blvd.,
Norcross, GA 30071
(404) 449-8220

REGIONAL OFFICES

Not applicable

OFFICERS

T.P. Wang
President
Jung Ko
Executive vice president

Fred Lin
Director of marketing

Mike McCombs
Director of sales

SALES

Not available

EMPLOYEES

Not available

PRODUCT LINES

Microwave ovens
Room air conditioners

(Sampo appliances are marketed in this country on an OEM private label basis.)

DISTRIBUTION

Sampo sells product directly from its corporate headquarters.

Sales contact

Fred Lin, director of marketing.
(404) 449-8220.

PROFILE

Sampo Corp. of America was launched in 1976 to market the products of its Taiwan-based parent, Sampo in Taiwan was founded in 1936 by M.P. Chen as a supplier of communications equipment.

SANYO ELECTRIC INC.

200 Riser Rd.
Little Ferry, NJ 07643
(201) 641-2333

REGIONAL OFFICES

East: 200 Riser Rd.,
Little Ferry, NJ 07643.
(201) 641-2333.

Midwest (OEM sales):

600 Supreme Dr., Bensenville,
IL 60106. (312) 595-5600.

West: 1200 West Artesia Blvd.,
Compton, CA 90220.
(213) 537-5830.

Hawaii: 1610 Hart St.,
Honolulu, Hawaii 96817.
(808) 841-0151.

OFFICERS

Nobuhiro Arimoto
President
Teruaki Suwa
Senior vice president

Patricia Rienzi

Vice president

Steven Sherman

National sales manager/
major appliances

SALES

Sanyo Electric Co. Ltd. (Japan)

1985 - \$7.5 billion

Sanyo Electric Inc. (U.S.)

Not available

EMPLOYEES

Sanyo (worldwide) 70,000

PRODUCT LINES

Sanyo

Refrigerators
Freezers
Washers
Dryers
Window air conditioners
Microwave ovens

DISTRIBUTION

Sanyo distributes through independent representatives direct to dealers, and in selected markets, independent distributors to dealers.

Sales contact

Steve Sherman, national sales manager/major appliances.
(201) 641-2333.

PROFILE

Sanyo Electric Inc., the representative sales company of Sanyo brand products in the U.S., was established in 1961. It is one of the subsidiaries of Sanyo Electric Co. Ltd., one of the largest electronics companies in the world, with headquarters in Japan and more than 70 overseas companies.

Sanyo's sales divisions mainly cover two categories: consumer electronics, including VCRs, audio systems, color TV and others, and home appliances, including microwave ovens, refrigerators, air conditioners, laundry and small household goods.

The company has two manufacturing affiliates in the U.S. Sanyo Manufacturing Corp., in Forrest City, AK, produces color TVs and microwave ovens. Sanyo E & E Corp., San Diego, CA, manufactures refrigerators. Sanyo also owns Fisher Corp. in Chatsworth, CA, which manufactures speaker components and sells audio and video equipment.

SPOTLIGHT

Nobuhiro Arimoto
President

As for the economic forecast, the coming year will not be strong — same as the latter part of 1986. But I have a firm belief that major appliances have the possibility of being different from the other industries. The manufacturers and retailers in this industry have a hand-in-hand relationship, which has helped the profitability of both.

"More of this interactive relationship between the two — by way of product development, sales promotion, exchange of point of sales information, etc. — will help each other maximize sales and profitability in 1987."

SHARP ELECTRONICS CORP.

Sharp Plaza
Mahwah, NJ 07430
(201) 529-8200

REGIONAL OFFICES

Not available

OFFICERS

K. Kubo
Chairman
S. Hirooka
President
O.P. (Perry) Clay
General manager/home appliances

Mike Williamson

National sales manager/
home appliances

Richard Gedman

National sales manager/
microwave ovens

Ron Poole

National accounts manager/
microwave ovens

SALES

Sharp Electronics (U.S.A.)

1984 - \$1.2 billion

1985 - \$1.4 billion

1986 (proj.) - \$1.7 billion

EMPLOYEES

Sharp (U.S.A.) 2,000

PRODUCT LINES

Sharp

Air conditioners
Microwave ovens

DISTRIBUTION

Sharp's primary source of distribution for microwave ovens and air conditioners is through a network of 52 independent distributors located nationwide.

Sales contact

Mike Williamson, national sales manager/home appliances; Richard Gedman, national sales manager/microwave ovens. (201) 529-8200.

PROFILE

Sharp Electronics Corp., the U.S. subsidiary of Japan's Sharp Corp., markets more than 25 different lines of appliances, consumer electronics, industrial and office products from its headquarters in Mahwah, New Jersey. In total, some 400 products carry the Sharp brand name in the U.S.

Sharp Corp. has its roots in a metal works operated by Tokuji Hayakawa starting in 1912. In 1915, Hayakawa invented a mechanical pencil named the Ever-Sharp Pencil, from which he took the name of the company he founded. Later, in 1925, Sharp moved into electronics, producing crystal radio sets.

Today, the company's products are sold in 135 countries. Sharp has 34 manufacturing facilities in 29 countries.

SPOTLIGHT

O.P. (Perry) Clay, general manager of Sharp's Home Appliance Division, notes the following for retailers hoping to

maximize microwave oven sales in 1987:

1) High-end convection/microwave ovens offer retailers excellent opportunities for profit. Although these units are particularly strong sellers in the replacement market, many first-time buyers can benefit from the full-range of cooking options offered by the convection/microwave oven.

2) Retail salespersons can maximize their profits by spending more time learning about the various microwave oven categories and spending more time discerning from customers which microwave oven size/wattage power will best suit their needs. Qualifying the consumer by matching a model to their cooking needs creates a much better opportunity to sell a higher-end oven.

3) Accessories sales, including mounting kits and specialty items like Sharp's microwave cooking instructional videotape, offer additional opportunities to increase microwave oven profits.

SPEED QUEEN CO.

P.O. Box 990, Shepard St.,
Ripon, WI 54971-0990
(414) 748-3121

(Also see Raytheon Co.)

REGIONAL OFFICES

Not available

OFFICERS

Thomas D. Hall, Sr.
President and CEO

Jeff Brothers

Director/home laundry sales

Thomas S. Kaczmarek

Director of marketing

Roger Able

National sales manager/
distributor sales

Richard Lynch

Sales manager/direct operations

SALES

Not available

EMPLOYEES

Speed Queen 1,800

PRODUCT LINES

Speed Queen

Home washers/dryers

Commercial washers/dryers

DISTRIBUTION

Speed Queen primarily uses two-step distribution with some limited direct branch sales.

Sales contact

Roger Able, national sales
manager/distributor sales.

(414) 748-3121.

Roger Able, national sales manager/
distributor sales. (414) 748-3121.

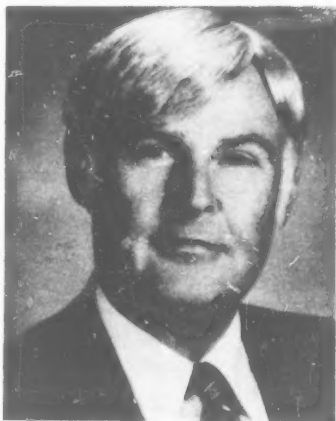
PROFILE

The history of Speed Queen begins in 1908 in Ripon, Wisconsin. Two Ripon hardware merchants, Joe Barlow and John Seelig, established the Barlow & Seelig Manufacturing Co. to introduce a hand-operated washer called "The White Cloud." At a price to retailers of \$96 per baker's dozen — 13 machines for the price of 12 — success was immediate. The company made an impressive \$20,000 profit in its first year.

By 1911, Barlow & Seelig introduced its first washer powered by an electric motor. Four years later, in 1919, the founders saw a record sales year attributable to its exclusive vacuum washing principle, which created more water action than other washers of the day.

Other innovations followed, including the first stainless steel washer tub, a well-known feature that continues as an industry exclusive on U.S. built top-loading agitator washers.

In 1928, Barlow & Seelig introduced



Thomas D. Hall, Sr.
President and CEO

a new machine christened "Speed Queen" which became the brand name for all company products. In 1949, Barlow & Seelig Manufacturing Co. was renamed Speed Queen Corp. Seven years later, in 1956, Speed Queen merged with McGraw Electric Co., which the same year merged with Thomas A. Edison Inc., and Speed Queen became a division of McGraw-Edison Co.

The first Speed Queen automatic clothes dryer was made in 1952 and the first automatic washer followed in 1953. In 1971, Speed Queen opened a new plant in Searcy, AK for the manufacture of home dryers.

In Fall of 1979, Speed Queen Co. began operating as a subsidiary of the Raytheon Co., which is headquartered in Lexington, Massachusetts.

SUB ZERO FREEZER CO.

P.O. Box 4130
Madison, WI 53711
(608) 271-2233

PROFILE

Sub Zero is considered a leading supplier of high-end residential refrigeration equipment.

SUNRAY

(See Caloric Corp.)

TAPPAN O'KEEFE & MERRITT-WCI

300 Phillips Rd.
Columbus, OH 43228
(614) 272-4100

(Also see White Consolidated Ind.)

REGIONAL OFFICES

St. Rose, LA (504) 464-7901;

Worthington, OH (614) 436-5632;

Phoenix, AZ (602) 269-8484.

OFFICERS

R.E. Conti

Vice president/sales

PRODUCT LINES

Tappan

Refrigerator/freezers

Laundry

Gas & electric ranges

Gas & electric ovens and cooktops

Microwave ovens

Dishwashers

Disposers

O'Keefe & Merritt

Refrigerator/freezers

Gas & electric ranges

Gas & electric ovens and cooktops

Microwave ovens

Dishwashers

Disposers

DISTRIBUTION

Tappan and O'Keefe & Merritt are both distributed through a system of regions, districts and independent distributors.

Sales contact

R.E. Conti, vice president/sales.

(614) 272-4412.

PROFILE

W.J. (Bill) Tappan set out selling cast iron stoves and heaters door to door from a horse-drawn wagon in 1881. The original company was known as the Ohio Valley Foundry Co. That name was changed in 1889 to the Eclipse Stove Co., after Tappan participated in a government excursion to view a total eclipse. When an Eclipse competitor came on the scene, management of the two companies met, formed a union, and called the new entity the Tappan Stove Co.

Tappan participated in manufacture of military equipment for both World Wars. Before and after, the company distinguished itself with developments such as the first use of insulation



R.E. Conti

Vice president/sales -
Tappan/O'Keefe & Merritt

around an oven to retain heat and keep kitchens cooler. It also was first to produce a unit with all-rounded corners, and the first with an all-porcelain-enameled range. The first oven-door window was brought out by Tappan.

In 1948, Tappan produced its first electric ranges and also launched an expansion program that would soon see it purchase O'Keefe & Merritt Co., a major West Coast producer of ranges. Soon after, in the 1950s, Tappan developed a microwave oven.

Further diversification led to other kitchen products in the sixties, including dishwashers, disposers, refrigerators, freezers and ventilating hoods. Kemper, the first of four kitchen cabinet companies was also purchased.

In 1979, Tappan became associated with AB Electrolux, which later purchased White Consolidated Industries, of which Tappan is now a division.

TATUNG CO. OF AMERICA INC.

2850 El Presidio St.
Long Beach, CA 90810
(213) 637-2105

REGIONAL OFFICES

East: 815 Allgood Rd.,
Marietta, GA 30062-3305,
(404) 428-9090, Bob Bennett,
regional sales manager.

Midwest: 3320 Dalworth St.,
Arlington, TX 76011,
(817) 640-3175, Dick Singleton,
regional sales manager.

West: 2850 El Presidio St.,
Long Beach, CA 90810,
(213) 637-2105, Robert Piscatelli,
regional sales manager.

OFFICERS

Chieh Sun

President

George Chen

Senior vice president, marketing

Steve Wang

Vice president

Edward Chen

National marketing manager

Hanson Yang

Product manager/compact
refrigeration

SALES

Not available

EMPLOYEES

Tatung (worldwide) 20,000

PRODUCT LINES

Tatung

Microwave ovens

Compact refrigerators

DISTRIBUTION

Tatung's electric appliances are sold direct to dealers and by sales representatives.

PROFILE

Tatung Co. of America, whose name means "brotherly harmony," was founded in 1972 as a joint venture by Dr. Chieh Sun, Daniel Sun, and its parent company, Tatung, Taiwan's largest electronics and electrical products manufacturer. Tatung's worldwide sales are approximately \$800 million annually.

The U.S. subsidiary began with one line of electric fans and currently markets more than 20 different product lines, among them electrical appliances and consumer electronics. The Home Appliance Division accounted for 47 percent of company sales in 1985. Tatung holds a dominant market share of fans sold in the U.S.

A few years ago, almost half of Tatung's products sold in the U.S. were under private labels. Today, the Tatung label appears on nearly 95 percent of its products.

SPOTLIGHT

Chieh Sun

President

"Through the years, profit margins have spiraled down, and most retailers are looking for ways to improve that situation.

"Naturally, carrying brand name product lines is necessary to produce volume sales, but if I were a retailer, I'd look to quality brands of limited distribution that challenge the sales skills of my staff and yield a higher profit margin than most brand name manufacturers can offer.

"I'd look for extras in the way of special features, styling or services.

"And, as a retailer, I'd also insist that my product lines reflect a variety of labels in order to offer my customers a wider range of choices and, at the same time, distinguish my store apart from others carrying only brand names.

"In this already over-crowded industry, I believe there is still room for manufacturers who are more quality-oriented than quantity-oriented, and willing to work with retailers to provide the best profit margins possible."

DON'T MISS . . .

**MART's Annual NAHB
Special Report. Watch for
the February issue.**

THERMADOR/WASTE KING

5119 District Blvd.
Los Angeles, CA 90040
(213) 562-1133

REGIONAL OFFICES

Not applicable

OFFICERS

Phil Friedrich
President
Al Miserochci
Vice president/sales & marketing
Bob Lewis
Manager/sales administration
and distribution
John Lomacz
General sales manager/
California sales

Bob Woods
Senior product manager/
cooking appliances

SALES

Masco Corporation
1984 - \$1.16 billion
1985 - \$1.15 billion

Thermador/Waste King
Not available

EMPLOYEES

Masco Corporation 14,000

PRODUCT LINES

Thermador
Micro-thermal ovens
Micro-convection ovens
Gas/electric cooktops
Cook'n'Vent cooktops
Built-in electric ovens
Electric ranges
Indoor barbecues
Stay-Hot oven
Dishwashers
Waste disposers
Compactors
Range hoods
Waste King
Dishwashers
Waste disposers
Compactors
Commercial disposers

DISTRIBUTION

Thermador primarily uses two-step distribution for its major appliances through a series of 53 independent distributors located throughout the U.S. and Canada. In California, the company uses a direct, factory-run sales branch.

Sales contact

Al Miserochci, vice president/sales and marketing. (213) 562-1133.

PROFILE

Thermador was founded in 1935. The company's first consumer goods offered were a line of electric wall heaters. However, throughout the years, Thermador moved into other product categories and created its niche by offering product with unique features.

Among other innovations, the company claims the first use of black glass on ovens, the first built-in wall ovens, the ability to use microwave and thermal heat simultaneously, and use of swivel impellers in disposers.

More recently, Thermador was the first to introduce solid elements to the U.S. in its Europa II line of European-style appliances. Today, Thermador is considered a leader in the high-end built-in kitchen appliance business.

Thermador/Waste King's parent company, the Masco Corp., offered its first consumer products about 30 years ago with the introduction of its proprietary, washerless Delta faucet.

The majority of Masco-owned companies are producers of products for the home, including faucets and other bathroom and kitchen fixtures, appliances, locks and other builder's hard-

ware, ventilating equipment and the like. Recently, a corporate restructuring resulted in the spinning off of a new company, Masco Industries, to handle industrial product sales.

SPOTLIGHT

Bob Woods
Senior product manager
"For appliance retailers to increase their profitability in 1987 and beyond will require that they change. One area of change that is proving to be profitable is the move into built-in appliances. Built-ins are now a growing segment of the retail business, and they will continue to grow in the future."

TOSHIBA AMERICA

82 Totowa Rd.
Wayne, NJ 07470
(201) 628-8000

REGIONAL OFFICES

East: Wayne, NJ
(201) 628-8000.
Mike Guida, manager.
Central: Chicago, IL
(312) 564-1200.
Rick Calacci, manager.
West: Los Angeles, CA
(213) 770-3300.
Gary Whitney, manager.
Southeast: Atlanta, GA
(404) 263-0369.
David Prall, manager.
Southwest: Dallas, TX
(214) 438-8223.
Doug Jones, manager.

OFFICERS

R. Suzuki
President
M. Kanazawa
Vice president/consumer products
S. Tamura
Vice president/merchandising
appliances
Kevin Furlong
National marketing manager/
appliances
Mike Murphy
Marketing manager/small appliances

SALES

Toshiba (world-wide)
(fiscal year ended March 1986)
\$18.7 billion

EMPLOYEES

Toshiba (world-wide) 120,000
Toshiba America 1,000

PRODUCT LINES

Toshiba
Microwave ovens
Compact refrigerators
Compact laundry

DISTRIBUTION

Toshiba services its network of dealers through its sales rep organization.

PROFILE

Toshiba was founded in 1875 as a manufacturer of light bulbs. Today, the company manufactures a wide range of products from semiconductors to consumer electronics, appliances, industrial machinery and others. Toshiba is the ninth largest electrical equipment company in the world.

In the home appliance field, Toshiba is considered a leading manufacturer of magnetron tubes, the device which is used at the heart of all microwave ovens.

Toshiba America was founded in 1965, and since that time has been selling consumer electronics products in the American market. This U.S. subsidiary is currently headed for \$1 billion in sales.

SPOTLIGHT

Toshiba American president, R. Suzuki, believes that dealers can maximize profits in major appliances by selling name brands and having a variety of models available for consumers to make their choice to fit their budgets. Public awareness must be maintained through local advertising on the part of dealers. Service and knowledgeable sales personnel are also important, he adds.

TOWN & COUNTRY

(See Brown Stove Works)

U-LINE CORP.

8900 North 55 St.
Milwaukee, WI 55223
(414) 354-0300

PRODUCT LINES

Under counter refrigerators
Compact refrigerators
Residential ice makers
Wine coolers

VESTA

(See Athens Stove Works)

WARWICK

(See Admiral)

WASTE KING

(See Thermador/Waste King)

WELBILT CORP.

3333 New Hyde Park Rd.
New Hyde Park, NY 11042
(516) 365-5040

REGIONAL OFFICES

Not available

OFFICERS

Richard Hirsch
President
Lawrence Gross
Executive vice president
Howard Lorsan
Vice president/marketing & sales

SALES

Welbilt Corp.
1984 - \$142 million
1985 - \$152 million

EMPLOYEES

Welbilt Corp. 1,700

PRODUCT LINES

Welbilt
Ranges
Air conditioners
Microwave ovens
Refrigerators

DISTRIBUTION

Welbilt sells through a combination of direct factory sales, independent factory sales reps, and independent distributors nationwide.

Sales contact

Howard Lorsan, vice president/
marketing & sales. (516) 365-5040.

Range-onomics

Vesta Deluxe Series Ranges. Top Quality and Durability at a Price Within "The Budget."

It's easy to figure out why customers choose Vesta Deluxe Series Gas and Electric Ranges. Customers with Budget Restrictions don't want to settle for less—they want to pay less for more. Selling your customers on the Deluxe Series is easy. These ranges are medium-priced with topline quality and good looks.

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30" Electric Range

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1-800-233-0498
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Athens Stove Works
P.O. Box 10, Athens, TN 37303

One of the White Consolidated Industries.

PROFILE

Welbilt Corp. has its foundation in a company formed in 1929 to produce commercial ranges. Over the years, the company has grown to where it now owns some 12 subsidiaries (nine in the U.S.) which are engaged primarily in the production of commercial food service equipment, including ovens and ranges, fryers, ice machines and the like.

In 1975, Welbilt entered the home appliance field for the first time. The company manufactures ranges and also supplies air conditioners, microwave ovens and refrigerators sourced from other firms. In addition, the company also manufactures vertical furnaces for residential use.

WHIRLPOOL CORP.

Benton Harbor, MI 49022
(616) 926-5000

REGIONAL OFFICES

Southeast: P.O. Box 706, Norcross, GA 30091; 6585 Crescent Dr. N.E., Norcross, GA 30091, (404) 449-4360.

Jim Johnston, regional director.

Great Lakes: 100 Progress Rd., Lombard, IL 60148, (312) 932-6000.

Art Maxon, regional director.

Midwest: P.O. Box 14430, Lenexa, KS 66215; 15500 W. 108th, Lenexa, KS 66219, (913) 888-1020.

Brad Gaddie, regional director.

Southwest: 4488 Spring Valley Rd., Farmers Branch, TX 75244.

(214) 233-2200.

Jim Martin, regional director.

West: P.O. Box 4931, Anaheim, CA 92803; 917 E. Katella Ave., Anaheim, CA 92805, (714) 634-9696.

Roger Brown, regional director.

OFFICERS

Jack D. Sparks

Chairman, president, CEO

George E. Wardeberg

Vice chairman, chief operating officer

David R. Whitwam

Vice chairman, chief marketing officer

H.W. (Hank) Bowman

Vice president/Whirlpool sales

Robert L. Brintnall

Executive vice president/subsidiary operations

August Brogno

Vice president/major appliance group

Glenn S. Olinger

Vice president, president of KitchenAid Division

Robert W. Paul

Division vice president/Whirlpool sales and distribution

SALES

Whirlpool Corp.

1984 - \$3.1 billion

1985 - \$3.5 billion

EMPLOYEES

Whirlpool Corp.

(total with subsidiaries) 27,716

Whirlpool 23,600

KitchenAid 1,500

PRODUCT LINES

Whirlpool

Home Laundry

Refrigerators

Freezers

Room air conditioners

Dehumidifiers

Microwave ovens

Ranges

Residential ice makers

Residential trash compactors

Dishwashers

Commercial laundry

DISTRIBUTION

Whirlpool has a two-step distribution system which uses company sales branches and, in certain regions, independent distributors.



Jack D. Sparks
Chairman, president, CEO

PROFILE

Whirlpool's history traces back to the Upton Machine Co., founded in 1911 by Chicagoan Lou Upton, and his uncle Emory Upton, a machine shop owner in the St. Joseph, Michigan area. Lou, who owned a patent for a manually operated clothes washer which had never been produced, challenged his uncle to power the device electrically. Upon completion of Emory's design, Lou moved to St. Joseph and the company was launched.

By 1916, Upton had shipped its first order of electric washers to the mail order house of Sears, Roebuck and Co., establishing a valued business relationship that endures to this day. The appliances were sold under Sears' "Allen" brand name.

In 1929, Upton was forced to increase capacity because of Sears' expansion into retail sales. To accommodate the demand, Upton Machine merged with the Nineteen Hundred Washer Co. of Binghamton, New York to create the Nineteen Hundred Corp.

By 1947, the company's first automatic washer, nicknamed the "Jeep," was introduced by Sears under the "Kenmore" brand name. Shortly after, the Nineteen Hundred Corp. began marketing its own line of laundry equipment, using the brand name Whirlpool, as taken from an agitator washer developed around 1920 by the Nineteen Hundred Washer Co. In 1949 an automatic dryer was added to the line, and by 1950, the Nineteen Hundred Corp. was renamed Whirlpool Corp.

In 1955, Whirlpool merged with Seeger Refrigerator Co. of Minnesota, allowing it to add a refrigeration line, and causing a temporary change of the company name to Whirlpool-Seeger. Along with Seeger came the former air conditioning and range business of RCA. Whirlpool, known to consumers primarily for laundry, reached an agreement with RCA to strengthen its name through the use of the RCA logo. The brand became RCA Whirlpool in 1956; the RCA name was dropped ten years later in 1966.

In 1956, a new administrative center was completed on a 100-acre site just north of Benton Harbor, Michigan, where Whirlpool's main offices still stand today.

In the years following, Whirlpool acquired plants and companies to enhance its production capabilities, and also started new subsidiaries such as

the firm that eventually became Whirlpool Acceptance Corp. Most notable among its recent acquisitions was that of KitchenAid, a division of Hobart Corp., which was purchased from Dart & Kraft Inc. in 1986.

SPOTLIGHT

Jack Sparks

Chairman, president and CEO

"Develop a strategic or long range plan for a two to five year time frame. Put your plan in writing. Be sure it is realistic and reflects your long range objective."

"If you switch brands or select a new



George E. Wardeberg
Vice chairman, chief operating officer



David R. Whitwam
Vice chairman, chief marketing officer



H.W. (Hank) Bowman
Vice president/Whirlpool sales

brand, analyze all the support services the manufacturer, distributor, and branch can provide. They can help maximize your advertising, sales training, display, floor planning, retail promotion, inventory turns and financial analysis, and assist you in establishing objectives.

"Continually strive to sell a better mix of higher-end product, and also work to sell accessories and services — don't give them away, and don't use them as closers."

"Evaluate your store hours and have your top sales people available to sell the dual income household (evenings, Saturdays, and Sundays if necessary). Make your delivery schedule as flexible as your store hours to deliver at the customer's convenience."

"If you handle your own delivery and installation, consider putting these people, as well as your warehouseman, on commission. Offer incentives for less damage, increased numbers of delivery, and installation done right the first time."

"Tie your local advertising into your major brands national advertising schedule when possible. Run the same product categories at the same time."

"Finally, do something a successful retailer, a good friend of mine, did four years ago. He went to his employees and asked them simply how they, as major appliance retailers, could improve sales and do a better job. I visited with this gentleman recently, and he told me he had prioritized this list, had been working on it four years, and still has not accomplished all of the outstanding ideas given to him by his very own employees. In the meantime his operation has grown and become more profitable each of the last four years."

"It's still a people business, be it your supplier, your distributor, your employees, or your customer. Maximize their abilities, and you'll have a profitable 1987."

WHITE CONSOLIDATED INDUSTRIES

WCI Appliance Center
300 Phillips Rd., P.O. Box 182056
Columbus, OH 43218
(614) 272-4100

OFFICERS

D.C. Blasius

Chairman, CEO/WCI major

products group

J.M. Ringler

President/WCI major appliance group

H.E. Schafer

Group vice president/marketing

R.F. Zoellner

Vice president/marketing

E.P. McIntosh

Vice president/marketing & merchandising

R.M. Rozic

Vice president/builder sales

SALES

Not available

EMPLOYEES

Not available

LOOKING FOR PRODUCT? . . .

Then take a look at MART's special NAHB supplement, featuring the latest in the world of home appliances. Coming in February . . .

LISTINGS



D.C. Blasius
Chairman, CEO/WCI major products group



J.M. Ringler
President/WCI major appliance group



H.E. Schafer
Group vice president/marketing

PROFILE

White Consolidated Industries is a division of AB Electrolux of Sweden, the world's largest appliance manufacturer and the leading appliance maker in Europe. WCI, with its Frigidaire, Gibson, Kelvinator, O'Keefe & Merritt, Tappan and White-Westinghouse brands, plus its private label business, accounts for \$3 billion in annual sales in the U.S.A.

WCI began before the turn of the century as a sewing machine manufacturer. In 1966, the company purchased the Hupp Corp., which then owned Gibson Appliances. WCI soon determined that a full line capability was necessary to maintain a presence in the appliance market. The purchase of Franklin Manufacturing added freezers to its line-up of refrigerators, laundry and room air conditioners. Ranges, and additional manufacturing facilities, were added with the purchase of Kelvinator in 1968 from American Motors.

Despite these additions, however, WCI still lacked a dishwasher manufacturing facility. That gap was filled in 1975, with the purchase of Westinghouse Electric's appliance division, which also created the White-Westinghouse brand name. With this acquisition, WCI became a full-line manufacturer.

Also in 1975, WCI made an even more important acquisition with the purchase of the Frigidaire brand from General Motors. The move propelled the company to \$2 billion in annual sales for the first time in its history.

In April 1986, WCI, the nation's third largest appliance manufacturer, was added to AB Electrolux's U.S. holdings. Along with WCI came its national sales and service organizations, and its huge manufacturing facilities. Under the WCI umbrella, AB Electrolux consolidated its previously acquired Tappan brand, and Tappan's O'Keefe & Merritt line. Also included in the original Tappan purchase were four kitchen cabinet makers, of which Quaker Maid and Kemper are best known.

AB Electrolux, the Stockholm-based parent company, was formed in 1914 when founder Axel Wenner-Gren sent salesmen door-to-door with a vacuum cleaner. In 1964, ASEA, a large electrical equipment company controlled by Swedish entrepreneur Marcus Wallenberg, purchased a large block of stock. The Wallenberg empire today controls

a majority of AB Electrolux's voting shares. AB Electrolux has been run for more than 15 years by chairman of the board Hans Werthen and his top managers, president and CEO Anders Scharp, and vice chairman Gosta Bystedt.

SPOTLIGHT

J.M. Ringler
President/WCI major appliance group

"It is obvious that maintaining acceptable profit margins in the competitive major appliance retail market is as difficult for the retailers as it is for manufacturers.

"A representative model mix on the dealer's floor, plus adequate back-up inventory are imperatives for success, as are inventory turns, effective cost control procedures, and motivation of sales personnel.

"Aggressive local advertising, promotions and selling events draw prospective customers. As manufacturers, we believe that increased participation by the retailer in sales training would greatly benefit retail sales. Included should be knowledge of product features and benefits, instruction on how to qualify the customer and improved expertise on 'how to close.'

"The maturing baby boomers continue to form new families at a high level, which is having a positive effect on home construction. Replacement levels of major household appliances should remain strong.

"Microwave ovens, while forecasted to be slightly below the 1986 level of 10 million units, will still have excellent volume potential for retailers."

WHITE-WESTINGHOUSE - WCI

**300 Phillips Rd.,
Columbus, OH 43228
(614) 272-4100**

REGIONAL OFFICES

Greenville, NY (516) 484-4300;
Norcross, GA (404) 447-8330;
Columbus, OH (614) 274-3344;
Des Plaines, IL (312) 299-0790;
Houston, TX (713) 772-5398;
Carson, CA (213) 637-7330.

OFFICERS

C.J. Laufersweiler
Vice president/sales

PRODUCT LINES

White-Westinghouse
Refrigerator/freezers
Freezers
Laundry
Gas & electric ranges
Electric ovens and cooktops
Microwave ovens
Dishwashers
Disposers
Room air conditioners
Dehumidifiers

DISTRIBUTION

White-Westinghouse products are distributed nationally through regions and independent distributors.



C.J. Laufersweiler
Vice president/sales -
White-Westinghouse

Sales contact

C.J. Laufersweiler, vice president/
sales. (614) 272-4735.

PROFILE

White-Westinghouse Appliance Company, a division of White Consolidated Industries since 1975, is the original appliance division of Westinghouse Electric Corp. Its history dates back to 1917, when Westinghouse Electric Manufacturing Co. purchased the Copeman Electric Stove Co. of Flint, MI., and began production of ranges in Mansfield, OH. The 1914 Copeman range was the first household electric range to be sold.

In 1930, Westinghouse entered the refrigerator market. Among the company's achievements in this area is the frost-free refrigerator/freezer, introduced in 1950. This patented breakthrough was the forerunner of the basic feature found on nearly all refrigerators today. Westinghouse also offered such innovations as an electric touch-to-open door and an automatic juice dispenser in the 1950s.

Westinghouse helped launch the dishwasher industry in 1935 with the first portable dishwasher. In laundry, the firm claims the first fully automatic clothes washer that didn't need to be bolted to the floor (1939), thus opening up the laundry market considerably. With the advent of tumbler washers, Westinghouse helped fill the need for a suitable low-sudsing detergent when it teamed with Monsanto Chemical to develop "All," still a popular product today (though no longer owned by White-Westinghouse).

Room air conditioners were added to the Westinghouse line in 1933.

Note: MART has compiled the preceding directory from information provided by the suppliers. MART makes no claims as to the accuracy of the information provided. Entries that appear incomplete are the result of the manufacturer having withheld requested information at its own discretion.



R.F. Zoellner
Vice president/marketing

Looking to '87 and beyond

by Aaron Neretin

There are going to be over 43 million major appliance products shipped by manufacturers and sold by retailers in 1987.

To some in the industry, that figure is disappointing since it represents less than a two percent gain in total shipments compared with the estimated final figures for 1986.

To others, however, anytime estimates are forthcoming that represent over \$22 billion in total sales, the opportunities are staggering.

If these dollars were divided equally among all United States major appliance retailers — from a purely statistical but not realistic point of view — each dealer would realize somewhat over \$1 million in sales at the end of 1987 which, in turn, could represent profits of anywhere from \$100,000 to \$200,000 per retailer.

Most manufacturers and distributors of appliance products are concerned that general descriptions by appliance industry analysts of 1987 being a "flat" growth year will tend to sour the distribution system on the potential for the year. As a result, many suppliers plan to send their people out into the system with a clear analysis that indicates a large slice of the pie can accrue to the aggressive retailer next year.

Even more significant in analyzing the prospects for 1987 are the anticipated increases in unit shipments of high-profit, high-technology, multi-featured products. Reasonably good gains are expected in mid- to high-end refrigeration, laundry, and dishwashers with more moderate

increases projected for mid- to top-of-the-line ranges.

Microwave ovens, which represent the single largest total of unit sales of all major appliance categories, have had much of their profitability squeezed by competitive conditions over the past few years. But, even here, some suppliers expect to see a gradual increase in profitability in 1987 when new design and function features hit the retail floor. They admit that microwaves' profits are harder to call because high-end features find their way too quickly down to the middle- and low-end of many lines, and average sale prices are about half of what they were a few years ago.

But these microwave suppliers feel that a general trend to sell the best in a "good, better, best" selling environment for all major appliances will impact on microwave ovens as well.

The positives for the major appliance retailer to consider as he enters 1987 are numerous.

They include a greater dependence on major appliances to supply a larger percentage of overall store profits, and plans by most of the larger suppliers to heavily increase their national and local promotional activity for the higher-ends of their major appliance lines.

They also include the fact that the industry will sell over 4.5 million ranges, nearly 12 million microwave ovens, well over 5 million washers, about 3.75 million dryers, nearly 3.75 million dishwashers and close to 6 million refrigerators in 1987. And, if a couple of good hot spells break across the country next summer, we could see sales of air conditioners topping the 3 million unit figure.

The other side of the coin, however, involves the competitive posture and pressure that is likely to be applied to retailers by the so-called "new kids" on certain appliance category blocks.

The major mergers and resulting conglomerates which have developed over the recent past will start to bear unique product fruit in 1987.

Specialty product firms within these conglomerates are expected to move closer and closer to full line brands. Others within these groups who have already begun this process will move with greater rapidity by taking on even

more sophisticated products supplied by their sister firms, and adding missing categories to make the full line a reality.

The net result will be the appearance of quite a number of new stock keeping units bearing brand labels not usually associated with certain categories. This, in turn, may force retailers to add or replace units on the floor with new SKUs as they — and their suppliers — battle to hold, increase or develop new market share in a small unit gain year.

The power retailers in this country will have no problems with this increase in SKUs because they have long adopted a "we can take it or leave it" attitude. Neither the new or the existing supplier will succeed in applying floor inventory pressure.

But the middle-sized retailer will be feeling pressure as his highly profitable specialty supplier comes to him with new category offerings that may be too tough or dangerous to turn down.

The activities of the large conglomerates (Maytag — Magic Chef, Admiral, Hardwick, Norge, Gaffers & Sattler; Electrolux — Tappan, Frigidaire, White-Westinghouse, Kelvinator, Gibson, Athens Stove, O'Keefe & Merritt; Raytheon — Amana,

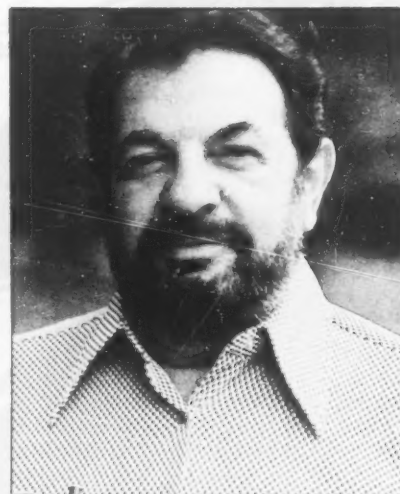
Speed Queen, Caloric, Modern Maid, Sunray; Whirlpool — KitchenAid; and the powerhouse General Electric — Hotpoint operation) spell an especially competitive environment as each brings product, productivity and large cash reserves to bear on its distribution system.

According to most industry sources the battle for retail floor space will be joined on two fronts.

The first will be the aforementioned increase in SKUs and the pressure that will be put on retailers to "come aboard."

The second will be the critical and publicized attention that the suppliers give to their distribution methodologies. Here we'll see an even closer association between suppliers and this country's power retailers and major buying groups. And there will also be a broad series of statements on the need to play down attention to the power retailer in favor of more attention to the good independent.

Next year promises to be not only a profitable year for major appliances. It promises to be a year in which retailers are forced to make critical decisions and commitments which will play a large part in determining their survival and growth potential for the future. □



The major mergers and resulting conglomerates will start to bear unique product fruit in 1987.

Cordless phones make colorful comeback

Fashion design and color give cordless phones a new lease on life.

Fashion colors and racy designs have been the rage of the telephone business this year — that's no secret. The hot pinks, pale blues, mauve, red, black, and of course, the pastels for the inevitable Miami Vice look, have turned

the buying public on. So have unique new designs, such as the "melted 2500" look, a wedge-shaped phone with rounded corners that looks like a slice of ice cream cake turned on its side.

It was inevitable, then, that this

same attention to fashion is now trickling over into the rejuvenated cordless telephone marketplace.

Cobra, for example, is just one manufacturer that expects to create some excitement next year with fresh styling in its cordless line. "We've



Design styling as shown here in GTE's 3100 cordless phone is part of a move away from the "walkie-talkie" look.

down-sized the unit so it doesn't look like a big bar of soap," says John Ehrisman, vice president of marketing for Cobra. "The consumer will see a cordless phone that has the size and appearance of a regular corded phone — it's the next step in design."

Cobra's move is appropriately timed. The "cordless comeback" is indeed a reality. Sales are back in the ballpark with the glory days of 1982-83, when that first rush of enthusiasm allowed wireless phones to capture about 20 percent of the telephone market.

Soon after, as many retailers well remember, consumers began having problems. If you carried a phone down to the garage it lost the signal; if your neighbor also had a cordless, your phone could beep and jangle when he received a call. And even if you were lucky enough to stay connected, the sound quality was reminiscent of the bottom of an empty swimming pool. Most of those early cordless phones wound up in the trash can, and the business just about died at the end of 1983.

It remained in a coma until late last year. What revived it was new security measures built into the phones and 10 new frequencies of communication the FCC opened up in 1984, tripling the allowed number. Brand-name manufacturers began producing cordless phones that worked.

These changes have given the industry a second lease on life. This year's cordless sales will account for about 16 percent of the market, and many industry observers believe the market share will increase next year. "I think the cordless phone will become a basic part of the home telephone inventory," says Freeman Robinson, vice president and general manager of GTE Consumer Communications Products.

So, for 1987, a face lift may be just what the doctor ordered to go along with the cordless telephone's revamped image. The cordless telephone still carries the stigma of its troubled early years, and many believe that a move away from the heavy walkie-talkie look will help consumers differentiate this new and better generation of product.

At the very least, it should make them view cordless a little more like a

Panasonic TeleQuest PHONE-MATE WEBCOR SONY COLECO TeleConcept

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telephone, and less like something Captain Kirk would use to talk to Spock. David Selfert, a senior vice president at B.A. Pargh, the large national distributor, was very impressed when he got an advance peek at Cobra's four new cordless models. "I think the Cobra piece looks great," he says. "And I think it's a good plan of attack to make it look more like a telephone — it's the easiest way to get the non-cordless buyer to accept the phone."

GTE's Robinson also thinks it's the right time to bring fashion colors and design to cordless phones. With all the manufacturers mimicking each other's functional features, such as automatic redial, memory, mute control and so on, "the way to be different is to look different."

According to studies done by the Yankee Group market research firm in Boston, cordless phones are mostly an older male purchase (see chart). "Yet, women have the larger say in purchasing telephones for the household," points out Chris Jackson, an analyst with the firm. This means that a major force in the market is being missed. If the female buyer can be attracted to the new colors and design in cordless, the floodgates may be opened.

Already there is clear evidence that colors matter in cordless sales. Panasonic's new cordless, the KX-T3815, has been available since August in red and black — two very contemporary, high-tech colors. The manufacturer reports that the unit has done quite well in the first round of sales. "We've been very successful in the department stores and are now opening it up to other retailers," says Panasonic's Michael Troetti, national sales manager for two-way communications.

MCE, one of the oldest cordless manufacturers, has also been doing well with colors. Since this summer, when it started shipping its units in pink, gray, ebony and white, the company has been short of stock. "Our production is at its max and we can't meet the demand, even though our production is one of the highest in the field," says Sol Steinmetz, president.

In fact, the colors have been so popular that MCE will be expanding them next quarter. At the top of a new line of five models the company will feature a gold-plated and silver-plated cordless with black accents. These new cordless models will also feature a new design that Steinmetz says has the "melted 2500" look.

While it is clear that cordless phones are going colorful, nobody knows which colors. Most offerings so far are pretty basic. Perhaps the widest selection comes from a small New York City company, Sam Hill Enterprises. Its Superfone, which just started shipping, comes in eight colors that include pink, green, blue, and maroon. Next year GTE will probably offer the same colors it has in its corded line, but here again, the emphasis will be on fairly conventional tones.

So, what about the pastels? Steinmetz says we may see pastels "much sooner than companies think." What he means by sooner is January of

Who Buys Cordless

- Men — 15.4% *
- Women — 8.8%
- Ages 35-44 — 14.8%
- Ages 44-55 — 5.9%
- Ages 55+ — 17.6%
- Income of \$25-35,000 — 22.7%
- Income of \$35-50,000 — 11.1%
- Income of \$50,000+ — 5.9%
- People with a home business — 5.6%

*Of the telephones sold to this group in 1986, this percentage is cordless.

Source: Yankee Group

1988. He says that next year manufacturers will have too much difficulty delivering present models to worry about new colors.

Troetti of Panasonic also expects to see pastels because there "is a very large female market that likes pastels." But color, after all, tends to be fadish. By next year pastels may no longer be chic. Dennis Awad, president of Tele-Com Products Inc., a large

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cordless distributor in the Western U.S., advises retailers to watch the home furnishings and kitchen appliance markets to see what's the latest in color fashion. "Next year we may see the sherbert colors — yellows, oranges and greens — become popular in feature phones," he says. So these colors may make it to cordless phones even before the pastels.

Whether it's pastels or sherberts or who-knows-what, it probably won't happen until the end of next year. For now, manufacturers have their hands tied. The rounding and

"The consumer will see a cordless phone that has the size and appearance of a regular corded phone — it's the next step in design."

John Ehrisman
Cobra

softening of the cordless look by GTE in its 3100 and 3200 models, MCE's move into fashion and Cobra's new line all represent a promising trend. But phone makers are being held back by the high cost of surface mounting the components.

When the costs go down — by the end of next year, GTE's Robinson thinks — a great variety of designs will likely flourish in the marketplace. The best is yet to come. "This," says Robinson, "is just the beginning of a real cordless revolution." □

Henry Fersko-Weiss

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1

ABC

DEF

FLASH

2

3

GHI

JKL

MNO

CLEAR

4

5

6

PRS

TUV

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RE
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7

8

9

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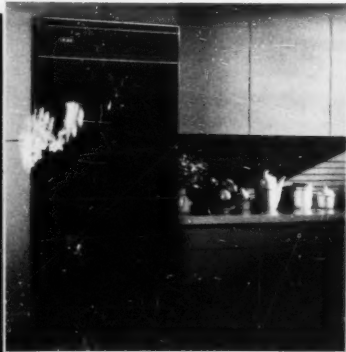
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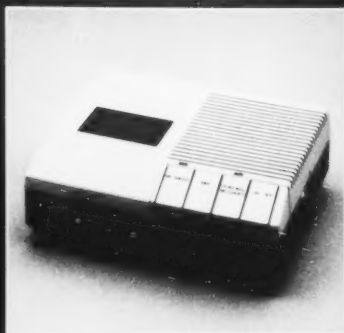
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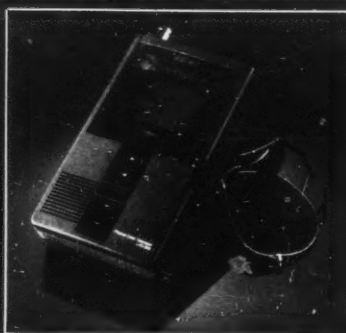
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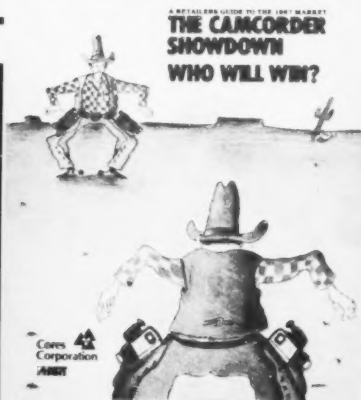
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In search of the under \$10 compact disc

There's no question about it, software prices must come down to invigorate CD hardware sales. But is there a quick fix in the wings?

The problem: Despite the fact that compact disc players have dropped from \$1,000 to less than \$200 in an amazingly short period of time, discs still cost \$15 apiece on the average. This has been a major turn-off for buyers of low-priced hardware. "Why, for the cost of 13 or so discs," they reason, "I could go out and buy another machine."

There are a number of possible solutions, but industry experts agree that any one of them will take time. Perhaps by this time next year, though, the average price of a compact disc will be a few dollars less. And by this time the year after that, discs may even hit the magic \$10 price point — coming close to the price of a vinyl record or prerecorded cassette.

Lately, there has been a good deal of talk about high-speed duplication of CDs, but suppliers of both hardware and software say such methods are strictly experimental at this point in time. There is hope, however. A number of new CD plants will open this year, and although they will utilize current duplicating technology, industrywide production will receive a much-needed shot in the arm. As for pricing, the hope is a quick deflation.

A number of vendors attended the meeting of the Audio Engineering Society in November, and reached the conclusion that numerous companies are working on ways to make CDs faster, but none are ready to come on-line yet. "I've seen what they're showing and I've heard what they're saying," says Denon sales and marketing vice president Robert

Heiblim. "The bottom line is it doesn't work yet."

The chief problem is that the dynamic range of CDs that are duplicated at a high speed is not as wide as that of discs being manufactured now. And one of CD's most basic selling points is its clearly demonstrable clean sound. Dynamic range contributes mightily to that, and suppliers are worried that a drop could result in a disillusioned public.

But there's good news. With the opening of some 10 or 11 new CD manufacturing plants this year, the production capacity of almost every supplier can increase geometrically, which could mean lower prices even without high-speed duplication.

"The annual worldwide capacity could be as high as 300 million discs this year," speculates Isaac Levy, home audio marketing vice president for Sanyo. "There's no reason to believe there'll be a shortage in 1987 like there was in 1986. The price of CD software is a function of supply and demand. Once there's more supply, the demand will even out and the price will come down. The price could come down below \$10 this year, and some titles could be as low as \$7.95."

One factor that has kept supply short and prices high has been the slow development of new production facilities. A new plant capable of an output of one million discs a month costs a minimum of \$20 million to \$30 million, and requires many months of construction and testing before going on line. Still, many facilities which broke ground in 1985 and 1986 should begin to bear fruit in 1987.

Even without a rise in manufactur-

ing technology, new plants will mean lower pricing and better distribution, agrees Marc Finer, president of the digital audio consulting firm Communications Research.

"The same technology we have now will be cost effective with the new plants on line," Finer asserts. "There are still a number of new technologies being developed, but they're not ready yet. The plants that were started in 1985 that use the same technology we already had are ready, and that's what's going to make the difference."

Another way to lower software prices is being investigated by some software companies, and it will be augmented by the arrival of the new CD plants, suppliers say. Some vendors are experimenting with two-tier pricing for

player in music.

"The consumer who's looking to spend \$200 on a CD player and sees \$15 software is taking a step back and thinking about it some more," claims Levy of Sanyo. "As soon as the pricing comes down, I think we'll see an increase in CD hardware sales, which aren't too shabby now."

"The low end of the hardware market hasn't held up," says Finer. "It's hard for a \$150 player when there are \$13 CDs and those are the less expensive ones. But increased production will force a more competitive marketplace. You're starting to see some promotions, and there are only three factories on line now. At the end of 1987, there will be 15. The competition among duplicators should be more intense, and that means the prices will be lower because the cost of production will be lower."

CD CAPACITY VS. WORLDWIDE DEMAND (In millions)

	Capacity	Demand
1985		
U.S.	5.5	22
Foreign*	60	35
Japan	40	15
Total	105.5	72
1986 (proj.)		
U.S.	26	46
Foreign*	126	57
Japan	65	40
Total	217	143
1987 (proj.)		
U.S.	89	90
Foreign*	150	115
Japan	75	65
Total	314	270

*Other than Japan.

Source: CBS Records

CDs — hot new titles are given the standard higher pricing that CD has enjoyed, while catalog or library titles come out at lower prices to stimulate interest. Denon's Heiblim thinks such a system is worth looking at.

"MCA has a thing called Red Line that puts out a title for a couple bucks less, and other companies have similar ideas," he reports. "It's a fact that we'll see lower pricing on CD from the factory. But will the software license holder pass the lower cost on to the retailer, and does the retailer pass it on to the public? I believe the former will happen, but I don't know about the latter. The industry is willing to drop the price when the price at the factory goes down, so at least some of the items will have a lower wholesale price. From there, I don't know."

At least one major record company — CBS — has said publicly that it is "anxious" to pass on to consumers any savings that might result from additional production capacity.

Lower CD software prices could mean very good news for the hardware industry, which is seeing its sales flatten out a bit as consumers find out what it costs to keep their CD

It's not that prices have remained unchanged since CD was invented, but to consumers the drastic fall in hardware price has been disproportionate to the amount that software prices have come down. The \$500 machine they bought two years ago would now sell for \$179.95, but disc prices have not dropped nearly as significantly.

"If you go to New York or L.A. the price has already come down some," Heiblim says. "And each time pricing comes down, it'll reach a wider market of consumers. The question is how smoothly the new plants come on line. But a cut in price will be a kick in the butt for CD players. In a certain sense, everything in CD is different, but in another, it's all the same. It's still the music business." □

George Kaplan

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